

No.: 98-56
Date: November 4, 1998

FEDERAL HOUSING FINANCE BOARD

Rescission of Two FHLBB Policies Concerning FHLBank Employees and Retirees

WHEREAS, section 12(a) of the Federal Home Loan Bank Act (Bank Act) (12 U.S.C.A. § 1432(a)) authorizes the Federal Home Loan Banks (FHLBanks) to exercise powers that are customary and usual in corporations generally subject to the approval of the Federal Housing Finance Board (Finance Board);

WHEREAS, the Finance Board has determined that, consistent with the safe and sound operation of the FHLBanks and to the extent permissible under the Bank Act, management and governance responsibilities should reside with FHLBank management; and

WHEREAS, two policies adopted by the Board of Directors of the Finance Board's predecessor agency, the former Federal Home Loan Bank Board (FHLBB), which concern FHLBank employees and retirees, should not raise any safety and soundness concerns if rescinded, do not require specific approval by the Finance Board under the Bank Act or Finance Board regulations, and are the type of management and governance responsibilities over which corporations generally exercise authority.

NOW, THEREFORE IT IS RESOLVED that the FHLBB Minute Entry dated November 27, 1978, which concerns maximum cost-of-living adjustments for pensions of FHLBank retirees, and FHLBB Resolution Number 88-268, dated April 11, 1988, which concerns mandatory FHLBank retirement policies for officers and employees, are hereby rescinded.

By the Board of Directors of the
Federal Housing Finance Board



Bruce A. Morrison
Chairman