

FEDERAL HOUSING FINANCE BOARD

(Financing Corporation's Administrative
and Non-Administrative Expenses)

No. 90-08

Date: February 7, 1990

WHEREAS, pursuant to Section 21(b)(7) of the Federal Home Loan Bank Act as amended ("Bank Act"), all administrative expenses of the Financing Corporation are to be paid by the Federal Home Loan Banks, each Bank being required to pay an amount to be determined by the Board in accordance with Section 21(b)(7)(B) of the Act; and

WHEREAS, pursuant to Section 21(f), the Financing Corporation, with the approval of the Board of Directors of the Federal Deposit Insurance Corporation, shall assess against each Savings Association Insurance Fund member assessments to fund anticipated interest payments, issuance costs and custodial fees on FICO obligations, within the limits set forth in the Act; and

WHEREAS, the Board has considered a memorandum dated November 21, 1989, from the Directorate of the Financing Corporation (copies of which are in the Minute, Exhibit File), setting forth two proposed budgets: one for administrative expenses and the second, for non-administrative expenses in accordance with the above referenced provisions of the Bank Act:

NOW, THEREFORE, IT IS RESOLVED THAT:

1. The proposed budget for administrative expenses for the Financing Corporation for calendar 1990 which appears in the Minute Exhibit File and is made a part hereof is approved. On a periodic basis, the Financing Corporation is authorized to bill each Federal Home Loan Bank in advance for its proper share of the Financing Corporation's budget for that period as determined in accordance with Section 21(b)(7)(B) of the Bank Act. The aggregate amount of expenses for which the Federal Home Loan Banks may be billed for any period under the aforementioned budget shall be adjusted upward or downward as necessary to reflect any differences between the aggregate expenses projected in the budget and those actually incurred in prior periods or to reflect any changes in the estimate of aggregate expenses expected to be incurred in the coming period, except that in no event shall the aggregate of all bills issued to the Federal Home Loan Banks for the budget period exceed the budget hereby approved by more than 10% absent further Board action.
2. The proposed budget for custodian fees and issuance costs (Non-Administrative Expenses) for the Financing Corporation for calendar 1990 which appears in the Minute Exhibit File and is made a part hereof is approved. The Financing Corporation, with approval of the Board of Directors of the Federal Deposit Insurance Corporation, is

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authorized to collect the assessments on SAIF members, pursuant to Section 21(f)(2) of the Act and as provided in FHFB Regulation 12 C.F.R. Subpart 950.13(a), through a joint collection agent. The Financing Corporation shall increase or decrease the portion of assessments taken pursuant hereto as necessary to reflect any differences between the aggregate Non-Administrative Expenses projected in the budget and those actually incurred and to reflect any changes in the estimate of aggregate Non-Administrative Expenses expected to be incurred during the budget period, except that (i) in no event shall the aggregate of all assessments taken during the budget period to cover Non-Administrative Expense exceed the budget hereby approved by more than 10% absent further Board action, and (ii) the Financing Corporation shall take care to ensure that the total assessments taken during the budget period pursuant hereto do not exceed total Non-Administrative Expenses assessment limits set forth in the Act.

By the FEDERAL HOUSING FINANCE BOARD



Jack Kemp, Chairman