



January 9, 2004

Mr. Patrick J. Conway  
President and CEO  
Federal Home Loan Bank of Des Moines  
907 Walnut Street  
Des Moines, Iowa 50309-3513

NO-ACTION LETTER: Federal Home Loan Bank of Des Moines:  
Term Requirement for Members of the Affordable Housing  
Program Advisory Council (2004-NAL-01)

Dear Mr. Conway:

This letter is in response to your request of June 30, 2003, for a regulatory waiver of the three-year term requirement for two positions on the Affordable Housing Program Advisory Council. In lieu of a regulatory waiver, we are responding with this no-action letter.

Based on the information provided by the Federal Home Loan Bank of Des Moines (Bank), we understand that your board of directors intends to appoint two of the seven Affordable Housing Advisory Council members whose terms expire on December 31, 2004, to one-year terms commencing on January 1, 2005, thereby realigning those two positions with the three terms that will expire at the end of 2005. Allocating five terms to expire in 2005 will result in one-third of the Affordable Housing Advisory Council members' terms expiring annually thereafter.

Given these circumstances, Finance Board staff will not recommend to its Board of Directors that supervisory action be taken against the Bank, nor will Finance Board staff undertake any such supervisory action, if the Bank appoints Affordable Housing Advisory Council members to terms of less than three years, as described in the previous paragraph. This letter expresses only the position of Finance Board staff, and may be modified or superseded by the Board of Directors of the Finance Board. Because this letter is based upon your representations, any change in the facts or circumstances from those presented may warrant a staff recommendation that the Finance Board take appropriate supervisory action.

If you have any questions regarding this letter, please contact Charles E. McLean, Associate Director, Office of Supervision, at (202) 408-2537.

Sincerely,

/s/

Stephen M. Cross  
Director, Office of Supervision

cc: Amy E. Angle  
SVP, General Counsel & Corporate Secretary  
Federal Home Loan Bank of Des Moines