

No. : 98-35

Date: July 10, 1998

FEDERAL HOUSING FINANCE BOARD

Adoption of Revised Procedures for Review of Disputed Supervisory Determinations

WHEREAS, under section 20 of the Federal Home Loan Bank Act, as amended (Bank Act) (12 U.S.C.A. § 1440), the Federal Housing Finance Board (Finance Board) must require examinations and reports of condition of each of the Federal Home Loan Banks (FHLBank) at least annually;

WHEREAS, the Office of Supervision of the Finance Board conducts periodic examinations of the FHLBanks pursuant to Finance Board regulations, 12 C.F.R. § 900.14, and during the course of an examination may make findings regarding safety and soundness, compliance or program issues, and may issue findings and determinations requiring mandatory action concerning unsafe and unsound practices or conditions, weaknesses, or violations in a report of examination issued pursuant to 12 U.S.C.A. § 1440;

WHEREAS, from time to time a FHLBank may disagree with or object to such findings or determinations;

WHEREAS, the Finance Board has determined that it is in the best interests of the Finance Board and the FHLBanks to provide a process for the review and resolution of such disputes;

WHEREAS, the Finance Board adopted Procedures for the Review of Disputed Supervisory Determinations (Procedures) originally in July, 1996 (Board Resolution No. 96-60, July 30, 1996) (subsequently amended in October, 1996 (Board Resolution No. 96-74, October 24, 1996) and in December, 1996 (Board Resolution No. 96-96, December 18, 1996)), as the mandatory and exclusive administrative remedy available to the FHLBanks under the Bank Act to address objections to disputed supervisory determinations as defined in the Procedures; and

WHEREAS, the Finance Board desires to make additional revisions to the Procedures and believes the adoption of these Procedures, as revised, is in the best interests of the Finance Board and the FHLBanks;

NOW, THEREFORE, BE IT RESOLVED, that the attached Procedures, as revised, are adopted by the Finance Board as the mandatory and exclusive administrative remedy available to the FHLBanks under the Bank Act to address objections to disputed supervisory determinations as defined in the Revised Procedures.

By the Board of Directors of the  
Federal Housing Finance Board

A handwritten signature in black ink, appearing to read "Bruce A. Morrison". The signature is written in a cursive style with a large, stylized initial "B".

Bruce A. Morrison  
Chairperson