



Federal Housing Finance Board
1777 F Street, N.W., Washington, D.C. 20006
Telephone: (202)408-2500 Facsimile: (202) 408-1435

July 27, 1998

[REDACTED]
Federal Home Loan Bank of [REDACTED]
[REDACTED]

Re Rollover of Superior Guaranty Advances

Dear Mr. [REDACTED]

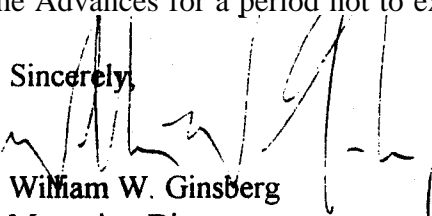
This responds to your letter of today requesting that the Federal Housing Finance Board (Finance Board) take a "no action" position regarding the anticipated rollover of the following advances (Advances) for a period not to exceed one month:

Member [REDACTED]
Advances [REDACTED]

On May 11, 1998, the Federal Home Loan Bank of [REDACTED] (Bank) executed a Supervisory Agreement (Agreement) providing that any advances to this member secured by delinquent FHNVA-guaranteed mortgage collateral, in violation of § 935.9(a) of the advances regulation, would have to be secured by eligible collateral upon rollover. We understand that the Bank has requested this "no action" letter to maintain the status quo while the Bank and the Finance Board pursue efforts to resolve the regulatory non-compliance covered by the Agreement.

Under the circumstances, Finance Board staff will not recommend or take supervisory action against the Bank for failure to reduce the Excess Advance Level, as called for by the Agreement, with respect to one rollover of the Advances for a period not to exceed one month.

Sincerely,


William W. Ginsberg
Managing Director

cc: Finance Board directors
[REDACTED]
Mitchell Berns