



October 2, 2009

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
1700 G Street, N.W., Fourth Floor
Washington, DC 20552

By e-mail RegComments@fhfa.gov and Federal Express

Attention: Comments/RIN 2590-AA10

Re: Record Retention;
RIN 2590-AA10

Dear Mr. Pollard:

The Federal Home Loan Bank of San Francisco (Bank) appreciates this opportunity to comment on the Federal Housing Finance Agency (Finance Agency) proposed rule that would implement record retention requirements with respect to the record management programs of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Banks (FHLBanks) and the Office of Finance.

We support the Finance Agency's efforts to promote sound record retention programs. We offer the following comments with regard to the proposed regulation.

Section 1235.3. Establishment and evaluation of record retention program.

The proposed regulation would require the establishment of a written record retention program within 120 days of the effective date of the regulation. We respectfully submit that the requirements of the proposed regulation are sufficiently detailed to warrant additional time for FHLBanks to comply with the requirements, including researching, planning and establishing enhanced internal procedures, purchasing, testing and implementing fully compliant and effective electronic record retention systems, and updating retention policies and record retention schedules. We strongly urge that the regulated entities be given six to nine months from the effective date of the regulation to establish a program consistent with the final regulation.

Section 1235.6. Access to records.

With regard to FHLBanks making records available during the course of a regulatory examination, while it is usually not difficult to meet the current production schedule set forth in 12 CFR 914.3, we believe it would be more reasonable to require the production of records during and within the scope of an onsite examination within three (3) business days and documents outside of an onsite examination within five (5) business days, to accommodate the unusual but possible circumstances where records have been stored off-site or may not be immediately retrievable electronically.

In addition, the Bank requests the following technical clarifications:

Section 1235.2 Definitions

- "Record Retention Schedule" -- Revise this definition to make clear that the required record retention schedule needs to cover only the information media that the regulated entity has determined to be the form in which it will retain a particular record category. This will avoid the implication that duplicate records must

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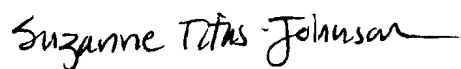
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be maintained simply because they happen to have been created or received by the entity in more than one media.

- “Vital Records” – Clarify what is meant by a record needed to protect the “financial rights” of the regulated entity.
- “Record” – Revise this definition to make clear that the scope of any required record retention policy is limited to covering records that the regulated entity has identified in its record retention policy as the business records of the entity. As such, unless voicemail recordings (third-party or internal) are identified by the entity in its record retention policy as a category of records that represent business records of the entity, the entity would not be expected or required to maintain such recordings.

We thank you very much for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Suzanne Titus Johnson" with a stylized flourish at the end.

Suzanne Titus-Johnson
Senior Vice President and
General Counsel-Corporate Secretary