

No. 98-50  
Date: November 23, 1998

FEDERAL HOUSING FINANCE BOARD

Rescission of the Interim Policy Guidelines  
for FHLBank Standby Letters of Credit

WHEREAS, on July 28, 1993, the Board of Directors of the Federal Housing Finance Board (Finance Board) adopted, by resolution "Interim Policy Guidelines for FHLBank Standby Letters of Credit" (Interim Guidelines) to govern the standby letter of credit programs of the Federal Home Loan Banks (FHLBanks), see Res. No. 93-63 (July 28, 1998); and

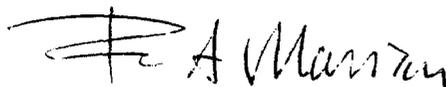
WHEREAS, on October 28, 1998, the Board of Directors of the Finance Board approved for publication a final rule (Final Rule) that amends the regulations of the Finance Board, 12 C.F.R. chapter IX, to add thereto a new part 938 that will govern the standby letter of credit programs of the FHLBanks; and

WHEREAS, the Final Rule will become effective thirty (30) days after its publication the Federal Register;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Finance Board hereby rescinds the Interim Guidelines as of the effective date of the Final Rule;

RESOLVED FURTHER THAT, standby letters of credit that were issued or confirmed by a FHLBank under the provisions of the Interim Guidelines, or any preceding standby letter of credit policies promulgated by the Finance Board or the former Federal Home Loan Bank Board, and that remain outstanding at the time the Final Rule becomes effective may remain outstanding until expiration under their original terms irrespective of whether such letters of credit would be considered to be in compliance with the Final Rule.

By the Board of Directors of the  
Federal Housing Finance Board



Bruce A. Morrison, Chairman