

Federal Home Loan Bank of Des Moines

Finance Committee Charter

I. Objectives

The Finance Committee (Committee) is formed for the purpose of overseeing, on behalf of the Board, the financial management and performance of the Bank. The Committee monitors the financial management activities of the Bank and promotes effective processes and practices.

The Committee also will conduct its business in a manner consistent with the Bank's values of Respect, Integrity, Empowerment, Authenticity, Teamwork, and Excellence, which are the foundation of the Bank's culture, and in accordance with the Bank's commitment to an effective compliance and control environment.

II. Authority and Responsibilities

The following describes the authority and responsibilities of the Committee to assist the Board in fulfilling its oversight responsibilities. The Committee may assume such other responsibilities as the Board (or a committee thereof, at the Board's direction) may delegate from time to time. Any responsibilities that are delegated to the Committee by the Board may be addressed by the Board without a Committee meeting provided that such action does not violate any laws or regulations requiring specific Committee action.

- Review the Bank's financial projections included in the Strategic Business Plan ("SBP"). Review, monitor and make recommendations to the Board and management regarding financial projections as the Committee deems appropriate
- Review the Bank's operating and capital expenditure budgets. Monitor actual to budgeted expenses
- Review financial management activities
- Review asset and liability management strategies and approve the Bank's ALCO Strategy and Investment Policy
- Review current balance sheet structure and trends in comparison to SBP to provide appropriate guidance to the Board and management relating to identified issues and concerns that would affect the strategic direction of the Bank
- Review the level of business activity experienced by the Bank, such as advances, letters of credit, and mortgage purchases
- Review the Bank's Capital Plan and review and approve the Bank's Capital & Dividend Policy
- Review the Bank's capital position, including targeted retained earnings
- Review and approve for recommendation to the Board, for their approval, dividend payments to members

- Review exam and Internal Audit findings, if any, pertaining to areas of the Committee's oversight, and oversee related remediation efforts

In its performance of the above responsibilities, the Committee shall assist the Board to meet its fiduciary obligations in assuring that the Bank operates in a safe and sound manner, and in accordance with the regulations and policies of the Federal Housing Finance Agency and the Securities and Exchange Commission. In the course of fulfilling its responsibilities under this Charter, the Committee has the authority to independently retain outside consultants to advise it, and may request any officer or employee of the Bank to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

III. Committee Membership

The Board or, pursuant to Board delegation, the Board Officers, shall appoint at least four directors to the Committee each year, and shall appoint the Committee Chair and Vice Chair.

IV. Committee Meetings

The Committee shall meet as necessary to permit full and timely completion of the Committee's functions. A meeting or telephone conference may also be called at any time by the Committee Chair, Vice Chair, the Bank President/CEO, or upon the written request of three or more directors, with advance notice to each member. A majority of the members shall be necessary to constitute a quorum and the Committee shall establish its own rules of procedure. Minutes of the Committee shall be maintained along with the minutes of the Bank's Board meetings. When action is required, the Chair (or in his or her absence the Vice Chair or other designee) shall report the Committee's actions to the Board at its next regularly scheduled meeting. The Bank's Chief Financial Officer will assist and support the Committee and Committee Chair in fulfilling the responsibilities of the Committee.

V. Review and Approval of Committee Charter

The Committee Charter shall be reviewed and approved at least annually by the Finance Committee and the Board of Directors. The Committee shall also maintain and periodically review and approve any changes to a Work Plan. The Committee shall perform an annual self-assessment to conduct an evaluation of its performance, and as part of that self-assessment, confirm that all responsibilities outlined in this Charter and Committee Work Plan have been fulfilled.