

## **FEDERAL HOME LOAN BANK OF INDIANAPOLIS DIRECTOR POSITION DESCRIPTION**

### **Primary Role**

1. To act as trustees for all of the Bank's constituencies.
  - to define and advance the mission and activities of the Bank
  - to address the interests of its member-shareholders, the public, and other FHLBI stakeholders
2. To perform certain duties as established by law and regulation.
3. Attend and actively participate in approximately 8 two-day meetings per year, plus travel and ample preparation time, along with occasional conference calls. The annual director fee is approximately \$75,000/year and is established annually by the Board of Directors.

### **Duties and Responsibilities**

1. Facilitate strategic planning process and monitor the Bank's progress toward established strategic objectives.
2. Provide that risk management policies (broadly defined) and internal controls are in place and functioning.
3. Provide a balance between the risks and benefits of the Bank's activities.
  - identify objectives and the degree of risk acceptable for attaining those objectives
  - monitor political and reputation risk trends and incorporate them into goal setting
4. Select, evaluate, counsel, and compensate the Chief Executive Officer.
5. Provide for CEO succession.

### **Accountabilities**

1. Shared
  - demonstrating competent governance
  - fulfilling the Bank's mission
  - fulfilling the Bank's strategic objectives
  - enhancing the Bank's image
2. Individual
  - continuously improving his or her governance skills
  - continuously improving his or her financial literacy
  - on-going awareness of banking and public policy issues affecting financial services, housing and community economic development
  - on-going compliance with the director eligibility and disclosure requirements for independent or member directors
  - fundamental understanding of corporate structure and agency relationships

## **PERSONAL CHARACTERISTICS OF DIRECTORS**

Each Director should exhibit:

### **Integrity and Accountability**

Character is the primary consideration in evaluating any Director. Directors must have high ethical standards and integrity in their personal and professional dealings. Directors must be willing to act on and remain accountable for their Boardroom decisions.

### **Informed Judgment**

A Director should be able to provide wise, thoughtful counsel on a wide range of issues. Directors should possess high intelligence and wisdom, and be able to apply it to decision making. Directors should be able to comprehend new concepts quickly.

### **Financial Literacy**

Directors should be financially literate. Directors should know how to read a financial statement and understand financial ratios. Directors should have a working familiarity with basic finance and accounting practices.

### **Mature Confidence**

Directors should approach others in a self-assured, responsible and supportive manner. Directors should value board and team performance over individual performance. Directors should be able to raise tough questions in a manner that encourages open discussions. Directors should be inquisitive and curious and ask questions of management.

### **High Performance Standards**

Directors should have a history of achievement that reflects high standards for themselves and others. Directors must be able to travel by air to attend Board and System meetings throughout the United States.

### **Political Awareness**

Directors should possess an awareness of the importance of politics, and comprehend the public-private partnership inherent to the operation of a government-sponsored enterprise.

## **CORE COMPETENCIES OF THE BOARD**

The Board as a whole should possess these core competencies. Below is a non-exhaustive list of desired skills and experiences that should be considered in making Board nominations. This list is not intended to represent mandatory requirements, but instead represent guidelines for targeted recruitment designed to achieve diversity of perspective, thought and experience.

### **Accounting and Finance**

The Board must be able to see that shareholder value is enhanced through corporate performance and protected through adequate internal controls. The Board should possess expertise in financial accounting and corporate finance.

### **Business Judgment**

The Board needs to be able to monitor corporate management. Directors should understand general management best practices in the banking industry.

### **Crisis Response**

Directors need to be able to perform their duties and provide time during periods of crisis.

### **Industry Knowledge**

The Board should have one or more Directors with in-depth industry specific knowledge, including housing, community/economic development banking, and SEC reporting.

### **Risk Management**

The Board should have one or more Directors with experience in financial, operational, political, and risk management.

### **Leadership**

Directors need to possess empowerment skills and be able to motivate high-performing talent.

### **Strategy/Vision**

Directors should possess the skill and capacity to provide strategic insight and direction by encouraging innovation, conceptualizing key trends, evaluating strategic decisions, and continuously challenging the organization to achieve its vision.

### **Political Savvy**

The Board should have one or more Directors that possess the skill to be influential with policy makers at all levels.

## **For More Information / Questions On FHLBank of Indianapolis Board Service**

Questions concerning directorships at the Federal Home Loan Bank of Indianapolis should be directed in writing to:

Corporate Secretary  
Federal Home Loan Bank of Indianapolis  
8250 Woodfield Crossing Boulevard  
Indianapolis, IN 46240

Website information links:

Federal Home Loan Bank of Indianapolis      [www.fhlbi.com](http://www.fhlbi.com)

FHLBank System links:

1. Federal Housing Finance Agency      [www.fhfa.gov](http://www.fhfa.gov)
2. Office of Finance      [www.fhlb-of.com](http://www.fhlb-of.com)
3. Council of FHLBanks      [www.fhlbanks.com](http://www.fhlbanks.com)
4. FHFA Office of Inspector General      [www.fhfaoig.gov](http://www.fhfaoig.gov)