

Term of Chairman

Section 203(2) of FIRREA, amending Section 2 of the FDI Act, should read:

(2) by deleting the second sentence thereof and inserting the following:

One of the appointive members shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairman of the Board for a term of four years, and one shall be designated by the President, by and with the consent of the Senate, to serve as Vice Chairman of the Board for a term of four years. Not more than two of the appointive members shall be members of the same political party.

Debt Limitation

Section 216(2) of FIRREA, amending Section 15 of the FDI Act, should read:

(2) by adding a new subparagraph (b) to read as follows:

- (b) (1) The Corporation shall estimate the cost of all notes or similar obligations issued by it, and all guarantees or similar obligations incurred by it, prior to the creation thereof, and shall reflect such cost in its financial statements, and make such adjustments as are appropriate thereto no less frequently than quarterly.
- (2) The Corporation shall not issue any note or similar obligation, and shall not incur any liability under a guarantee or similar obligation, with respect to either the Bank Insurance Fund or the Savings Association Insurance Fund if the estimated cost thereof would reduce the net worth of the respective Insurance Fund to less than zero.
- (3) With the prior approval of the Secretary of the Treasury, the Corporation may issue or incur up to \$5 billion in the aggregate of additional liabilities in excess of the limitations of (2) above; Provided, that, any such additional liabilities shall reduce, on a dollar for dollar basis, the amount which the Corporation may borrow from the Treasury under Section 14 of this Act.
- (4) For the purposes of this subsection (b), the net worth of an Insurance Fund shall be calculated based upon the most recent audit of such Fund by the General Accounting Office, as reduced by the adjustments required in paragraph (1).

Reporting

Section 217(2) of FIRREA, amending Section 17 of the FDI Act, should read:

(2) By redesignating subsections (b), (c) and (d) as (c), (d) and (e), respectively, and by adding a new subsection (b) to read as follows:

Prior to the beginning of each fiscal quarter, the Corporation shall provide to the Secretary of the Treasury copies of the Corporation's financial operating plans and forecasts, and as soon as practicable following the close of each fiscal quarter, the Corporation shall provide to the Secretary of the Treasury copies of the report of the Corporation's financial condition and results of operations for such quarter. The plans, forecasts and reports shall reflect the liabilities and obligations as provided in Section 15(b)(1) of this Act. The requirement to provide the plans, forecasts and reports shall not imply any obligation on the part of the Corporation to obtain the consent or approval of the Secretary of the Treasury with respect thereto.