



December 11, 2000

Ms. Marilyn Murray
Vice President, Finance
Pacific Southwest Bank
Post Office Box 9940
Corpus Christi, Texas 78469-9940

RE: Six-Month Waiting Period For Voluntary Withdrawal (2000-WV-02)

Dear Ms. Murray:

This is in response to your October 3, 2000 letter to the Federal Housing Finance Board (Finance Board) resubmitting Pacific Southwest Bank's (Pacific) request for a waiver of the six-month waiting period requirement for voluntary withdrawal in section 6(e) of the Federal Home Loan Bank Act, as implemented by section 925.26(a) of the Finance Board Membership Regulation. *See* 12 U.S.C. § 1426(e) and 12 C.F.R. § 925.26(a).¹ Section 925.26(a) provides that a member that is eligible under applicable law may withdraw from Federal Home Loan Bank (Bank) membership after providing both the Finance Board and its Bank at least six months written notice of its intention to withdraw from membership.

In its September 19, 2000 letter to Pacific and the Dallas Bank, the Finance Board stated that Pacific's September 1, 2000 waiver request provided no facts or arguments that might demonstrate "good cause" for the waiver, as required by the Finance Board's Procedures regulation. *See* 12 C.F.R. § 907.6. The Finance Board's letter explained that if Pacific or the Dallas Bank wished the Finance Board to consider the waiver request, then Pacific or the Dallas Bank would have to submit the request in accordance with the requirements of the Procedures regulation within 15 business days. A copy of the Procedures regulation was included for your reference.

Finance Board staff has reviewed Pacific's October 3, 2000 waiver request,² and is of the view that Pacific has not provided any basis for consideration of the waiver request under the Procedures regulation. Therefore, Pacific's waiver request is deemed withdrawn.

Accordingly, as stated in the Finance Board's September 19, 2000 letter, Pacific's effective date of withdrawal is *March 5, 2001*, six months from the date of the Finance Board's receipt of Pacific's notification of intent to withdraw from membership in the Dallas Bank.

¹ *See* Letter from Margaret K. Mkimbo, Federal Home Loan Bank of Dallas (Dallas Bank), to Patricia L. Sweeney, Finance Board, dated September 5, 2000, forwarding Letter from Marilyn Murray, Pacific, to Cheryl Ervi, Dallas Bank, dated September 1, 2000.

² *See also* Letter from Frederick Casteel, Office of Thrift Supervision, to Charles McLean, Finance Board, dated October 30, 2000.

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Should you have any questions, please do not hesitate to contact Patricia L. Sweeney of my staff, at (202) 408-2872.

Sincerely,

/s/ Scott L. Smith

Scott L. Smith
Acting Director
Office of Policy, Research and Analysis

cc: Mr. Harvey Simon, General Counsel, Federal Home Loan Bank of Dallas
Ms. Margaret K. Mkimbo, Credit Operations, Federal Home Loan Bank of Dallas