



No.: **2002-57**

Date: **October 9, 2002**

FEDERAL HOUSING FINANCE BOARD

Approval of an Elective Directorship for the Federal Home Loan Bank of Dallas

WHEREAS, section 7(b) of the Federal Home Loan Bank Act (Act), as amended (12 U.S.C. § 1427(b)), provides that the Federal Housing Finance Board (Finance Board) shall designate the number of elective directorships on the boards of directors of the Federal Home Loan Banks (FHLBanks) to represent the member institutions located in each state; and

WHEREAS, section 7(a) of the Act provides that, in any FHLBank district that comprises five or more states, the Finance Board may increase by regulation the number of elective directorships to a maximum of thirteen directorships and the appointive directorships to a number not exceeding three-fourths the number of elective directorships; and

WHEREAS, section 915.3(b)(5) of the Finance Board's Elections regulation, 12 C.F.R. § 915.3(b)(5) gives the Finance Board the discretion to increase the number of elective directorships to a maximum of thirteen in any district containing five or more states; and

WHEREAS, the Federal Home Loan Bank of Dallas (Dallas Bank) contains five states, thus making it eligible for discretionary seats; and

WHEREAS, under section 915.3(b) of the Elections regulation, the Finance Board completed its annual designation of directorships for the FHLBanks, (Resolution Number 2002-25, dated June 12, 2002), which maintained the number of Dallas Bank appointive directorships at eight and elective directorships at ten; and

WHEREAS, the Dallas Bank has requested Finance Board approval of an additional elective directorship, to be designated for the state of Texas, with a one-year term of office beginning in 2003; and

WHEREAS, since more than half of the stock in the Dallas Bank is owned by members located in Texas, the Dallas Banks requests that the additional elective directorship be designated for the State of Texas; and

WHEREAS, the adjusted sequence of staggering the terms of office resulting from the approval of an additional elective directorship would be in compliance with the staggering requirements of the Gramm-Leach-Bliley Act; and

WHEREAS, there is nothing in the Bank Act or the Elections regulation that would preclude the Finance Board from adding an additional directorship at this time;

NOW THEREFORE IT IS RESOLVED that, pursuant to the discretionary authority conferred by section 7(a) of the Act, the Board of Directors of the Finance Board hereby approves a discretionary elective directorship for the Dallas Bank to be designated for the state of Texas, with a one-year term of office beginning on January 1, 2003.

By the Board of Directors of
the Federal Housing Finance Board

/s/ John T. Korsmo

John T. Korsmo
Chairman