



No.: **1999-38**

Date: **July 27, 1999**

FEDERAL HOUSING FINANCE BOARD

Waiver Request to Allow the Board of Directors of the Federal Home Loan Bank of Dallas to Meet in Quebec City, Quebec

WHEREAS, section 932.16 of the Federal Housing Finance Board (Finance Board) Regulations, 12 C.F.R. § 932.16, prohibits the board of directors (Board) or the committees of a Federal Home Loan Bank (FHLBank) from meeting in any location that is not within the United States, including its possessions and territories;

WHEREAS, on October 16, 1998 the Board of the Federal Home Loan Bank of Dallas (Dallas Bank) adopted a resolution authorizing its August 1999 Planning Meeting to be held in Quebec City, Quebec;

WHEREAS, in reliance on the October 16, 1998 resolution the Dallas Bank has expended, or has committed to expend, monies necessary to provide accommodations for its directors and staff to fund the Planning Meeting in Quebec City, and such funds likely will be lost if the meeting cannot be held in Quebec City;

WHEREAS, on July 2, 1999, the Dallas Bank requested a waiver of section 932.16, in order that its Board may hold the Planning Meeting in Quebec City, Quebec;

WHEREAS, the Dallas Bank has represented that in authorizing the Planning Meeting to be held in Quebec City the Board acted on a good faith belief that its action was consistent with 12 C.F.R. § 932.16;

WHEREAS, section 902.6 of the Finance Board Regulations, 12 C.F.R. § 902.6, authorizes the Finance Board to waive any provision, restriction or requirement of the regulations, not otherwise required by law, if such waiver is not inconsistent with the law and does not adversely affect any substantial existing rights, upon a determination by the Finance Board that application of such provision, restriction or requirement would adversely affect the achievement of the purposes of the Federal Home Loan Bank Act, or upon a showing of good cause;

WHEREAS, it is unclear whether section 932.16 can be applied to prohibit an FHLBank Board from meeting in Canada or Mexico;

WHEREAS, Finance Board staff has reviewed the waiver request and, in light of the good faith error authorizing the Quebec City location and the financial loss that will be incurred if the meeting must be held elsewhere, has recommended that the Finance Board determine that good cause exists for granting the waiver in these circumstances; and

NOW, THEREFORE, IT IS RESOLVED that the Board of Directors of the Finance Board finds good cause to waive the provisions of section 932.16 requiring meetings of the board and committees of any FHLBank to be held within the United States, and hereby waives such provisions with respect to the August 6-7, 1999, Planning Meeting of the Dallas Bank.

By the Board of Directors of the
Federal Housing Finance Board

Bruce A. Morrison

Bruce A. Morrison
Chairman