Universal Scrap Metal Corp.
U.S. Postal Service
U.S. Steel (USX Corp.)
Watts Regulator Co.
Weatherhead Co. (Dana Corp.)
Weinstein Co. (Web-Jamestown Corp.)
West Bend Co.
Westinghouse
Wise Metals Co. Inc.
Young American Homes

[FR Doc. 95–2828 Filed 2–3–95; 8:45 am]

BILLING CODE 6560–50–P

FARM CREDIT ADMINISTRATION

Farm Credit Administration Board Action to Release and Discharge Receiver and Cancel Charters of the Federal Land Bank of Jackson and the Federal Land Bank Association of Jackson

AGENCY: Farm Credit Administration.

ACTION: Notice.

On January 27, 1995, the Chairman of the Farm Credit Administration Board executed FCA Board Action NV–95–04 barring claims, discharging and releasing the Receiver, and cancelling the charters of the Federal Land Bank of Jackson and the Federal Land Bank Association of Jackson arising out of the involuntary liquidation of the institutions. The text of the FCA Board Action is set forth below:

Farm Credit Administration Board Action to Release and Discharge Receiver and Cancel Charters of the Federal Land Bank of Jackson and the Federal Land Bank Association of Jackson

Whereas, the Farm Credit Administration (FCA) Board had determined that statutory grounds existed for the appointment of a receiver for the Federal Land Bank of Jackson (Jackson FLB), headquartered in Jackson, Mississippi, and the Federal Land Bank Association of Jackson (Jackson FLBA), also headquartered in Jackson, Mississippi (Liquidating Institutions), under its authority in section 4.12(b) of the Farm Credit Act of 1971, as amended, and 12 CFR 611.1156, and did place the Liquidating Institutions into receivership on May 20, 1988;

Whereas, on May 20, 1988, the FCA Board by FCA Board Action BM–17–MAY–88–01, did appoint REW Enterprises, Inc. as the Receiver for the Jackson FLB and the Jackson FLBA, and published the notice of appointment in the **Federal Register** on May 24, 1988, at 53 FR 18812, as required by FCA regulations;

Whereas, on May 25, 1988, the FCA Board, by Notational Vote NV–88–68 (25–May-88), approved the agreement entered into by the Receiver to enable the Federal Land Bank of Texas and the Federal Land Bank of Columbia to temporarily provide service to new borrowers in the territory formerly served by the Jackson FLB;

Whereas, on February 10, 1989, all territory assigned to the Jackson FLB was permanently reassigned to the Farm Credit Bank of Texas (successor to the Federal Land Bank of Texas) and on September 22, 1989, all such territory, for the purpose of originating and servicing loans for the Farm Credit Bank of Texas, was apportioned among the Federal Land Bank Association of North Alabama, the Federal Land Bank Association of South Alabama, the Federal Land Bank Association of North Louisiana, the Federal Land Bank Association of South Louisiana, the Federal Land Bank Association of North Mississippi, and the Federal Land Bank Association of South Mississippi;

Whereas, on May 4, 1993, the FCA approved the accounts of the Liquidating Institutions for the period May 20, 1988, through May 4, 1993, and REW Enterprises, Inc. was then discharged and released from all responsibility or liability to the FCA arising out of, related to, or in any manner connected with the administration and liquidation of the Liquidating Institutions during the period May 20, 1988, through May 4, 1993;

Whereas, on May 4, 1993, the FCA Board, by FCA Board Action BM–04–MAY–93–04, did appoint William E. Harvey & Associates, Inc. as Receiver (Receiver) for the Liquidating Institutions and published the notice of appointment in the **Federal Register** on May 18, 1993, at 58 FR 28962, as required by FCA regulations;

Whereas, all assets of and claims against the Liquidating Institutions have been disposed of by the Receiver in accordance with the provisions of FCA regulations and the written agreement dated May 4, 1993, between the Receiver and the FCA (Receivership Agreement);

Whereas, in accordance with the provisions of FCA regulations and the Receivership Agreement, all claims filed by creditors and holders of equities have been paid or provided for, including, without limitation, certain administrative expenses that the Receiver has paid;

Whereas, the final audit of the Liquidating Institutions was completed by Arthur Andersen **llp**, an independent auditor, as of November 30, 1994;

Whereas, on January 12, 1995, the FCA issued to the Receiver a final Report of Examination of the Jackson FLB and the Jackson FLBA as of December 31, 1994;

Whereas, on January 30, 1995, the Receiver distributed to the Farm Credit System Financial Assistance Corporation all remaining assets, which consisted of the amount in excess of the amount necessary to wind up the receivership, for application against or repayment of any FAC bonds issued after the Liquidating Institutions were placed in receivership in connection with the purchase of preferred stock issued by the Liquidating Institutions. As published in the **Federal Register** notice on November 21, 1990, at 55 FR 48691, any remaining funds of the Liquidating Institutions were to be refunded to the FAC in connection with the simultaneous retirement of an equal amount of preferred stock. The preferred stock was issued by the Liquidating Institutions for the purpose of funding maturing debt obligations, retiring eligible borrower stock, and operating the Liquidating Institutions; and

Now, therefore, it is hereby ordered that:

1. All claims of creditors, stockholders, holders of participation certificates and other equities, and of any other persons and/or entities against the Liquidating Institutions, and, all claims against the Receiver to the extent they arise out of the actions of the Receiver in carrying out the liquidation for the period May 4, 1993, through the date of this FCA Board action, are hereby forever and completely discharged and released against the Liquidating Institutions and the Receiver, and the commencement of any action, the employment of any process, or any other act to collect, recover, or offset any such claims is hereby forever barred.

2. The Receiver's accounts of the Liquidating Institutions for the period from May 4, 1993, through the effective date of this FCA Board action are hereby approved.

3. Except as provided in the Receivership Agreement, the Receiver is hereby finally and completely discharged and released from any responsibility or liability to the FCA or any other persons or entities arising out of related to, or in any manner connected with the administration and liquidation of the Liquidating Institutions during the period May 4, 1993, through the effective date of this FCA Board action. The FCA Board Action BM–04–MAY–93–04 is hereby superseded and terminated by this FCA Board action.

4. The charters of the Federal Land Bank of Jackson and the Federal Land Bank Association of Jackson are hereby cancelled.

5. The foregoing FCA Board action shall be effective at 5:00 p.m. Eastern Standard Time on January 30, 1995.

Signed by Marsha Martin, Chairman, Farm Credit Administration Board, on January 26, 1995.

Dated: February 1, 1995.

Floyd Fithian,

Acting Secretary, Farm Credit Administration Board.

[FR Doc. 95–2805 Filed 2–3–95; 8:45 am]

BILLING CODE 6705–01–P

FEDERAL DEPOSIT INSURANCE CORPORATION

General Counsel's Opinion No. 7; Treatment of Assessments Paid by ''Oakar'' Banks and ''Sasser'' Banks on SAIF-Insured Deposits

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice of FDIC General Counsel's Opinion No. 7.

SUMMARY: The FDIC Legal Division has received inquiries concerning the opinion it expressed in a letter sent to the United States General Accounting Office on April 23, 1992. In the 1992 letter, the Legal Division concluded that assessments paid on deposits acquired from members of the Savings Association Insurance Fund (SAIF) by banks through a transaction under section 5(d)(3) of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. 1815(d)(3)) should remain in the SAIF and are not required to be allocated among the Financing Corporation, the Resolution Funding Corporation, or the FSLIC Resolution Fund. This General Counsel Opinion confirms the opinion expressed by the Legal Division in the 1992 letter and describes in greater detail the reasoning underlying that opinion. In addition, this General Counsel Opinion sets forth the Legal Division's position that assessments paid to the SAIF by any former savings association that (i) has converted from a savings association charter to a bank charter, and (ii) remains a SAIF member pursuant to section 5(d)(2)(G) of the FDI Act, are likewise not available to the Financing Corporation.

FOR FURTHER INFORMATION CONTACT: Valerie Jean Best, Counsel, Legal Division (202/898–3812), Federal Deposit Insurance Corporation, Washington, D.C. 20429.

Text

Opinion

The FDIC Legal Division has received inquiries concerning the opinion it expressed in a letter sent to the United States General Accounting Office (GAO) on April 23, 1992. This General Counsel Opinion confirms the opinion expressed by the Legal Division in the 1992 letter and sets out in greater detail the reasoning underlying that opinion. In addition, this General Counsel Opinion sets forth the Legal Division's position that assessments paid to the Savings Association Insurance Fund (SAIF) by any former savings association that has converted from a savings association charter to a bank charter but remains a SAIF member pursuant to section 5(d)(2)(G) of the Federal Deposit Insurance Act (FDI) Act, are not available to the Financing Corporation (FICO).

In the 1992 letter, the Legal Division advised the GAO that assessments paid on deposits acquired by banks from SAIF members under section 5(d)(3) of the FDI Act (12 U.S.C. 1815(d)(3)), the so-called ''Oakar'' provision, should remain in the SAIF, retroactive to the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and were not required to be allocated among the FICO, the Resolution Funding Corporation (REFCORP), or the FSLIC Resolution Fund (FRF). The GAO described this conclusion as ''reasonable'' in a letter dated May 11, 1992, from Charles A. Bowsher, Comptroller General of the United States, to the FDIC Board of Directors. Comptroller General Bowsher wrote: ''Based on our review of the applicable statutory provisions and information FDIC provided, we believe its conclusion and treatment of Oakar assessments are reasonable.'' The relevant financial statements were restated and prepared in reliance on the Legal Division's opinion, and the GAO subsequently cited the Legal Division's conclusion in its audits of the 1990, 1991, and 1992 financial statements of SAIF and FRF.

The principal reason stated in the 1992 letter for this conclusion was that Oakar banks (i.e., banks that had acquired deposits from SAIF members pursuant to section 5(d)(3) of the FDI Act) are members of the Bank Insurance Fund (BIF), not SAIF; thus, assessments paid by such BIF members are not subject to FICO, REFCORP or FRF draws because the applicable statutory provisions (12 U.S.C. 1441(f)(2), 1441b(e)(7), and 1821a(b)(4)) require contributions only from SAIF members. An additional basis for the Legal Division's conclusion, although not expressly stated, was that FICO's assessment authority extends only to savings associations which are SAIF members and therefore does not extend to Oakar banks since Oakar banks are not savings associations.

Conclusion

The express statutory language of FICO's enabling legislation grants assessment authority to FICO only over insured depository institutions which are both (1) savings associations and (2) SAIF members. Even if Oakar banks could be regarded as members of both BIF and SAIF rather than just BIF (which we do not think is the correct view), they are not savings associations. Where, as here, the relevant statutory language (which, in this case, limits FICO's assessment authority to savings associations that are SAIF members) is clear and unambiguous, well-established principles of statutory construction dictate that the plain meaning of the statute must be given effect. The Legal Division concludes that the opinion expressed in the 1992 letter—that SAIF assessments paid by Oakar banks should remain in the SAIF and are not subject to FICO, REFCORP, or FRF draws—remains correct.

Further, the Legal Division concludes that SAIF assessments paid by any former savings association that (i) has converted from a savings association charter to a bank charter, and (ii) remains a SAIF member pursuant to section 5(d)(2)(G) of the FDI Act (a so-called ''Sasser'' bank), are likewise not subject to draws by FICO. The FDI Act expressly provides that any such institution is a bank. Since FICO's assessment authority extends only to savings associations which are SAIF members, and since Sasser banks are not savings associations, SAIF assessments paid by Sasser banks are not subject to draws by FICO.

Discussion

I. FICO's Assessment Authority

In relevant part, section 21(f)(2) of the Federal Home Loan Bank Act (FHLB Act) provides,

> (f) Sources of funds for interest payments; Financing Corporation assessment authority. The Financing Corporation shall obtain funds for anticipated interest payments, issuance costs, and custodial fees on obligations issued hereunder from the following sources:
>
> * * * * *
>
> (2) New assessment authority. To the extent the amounts available pursuant to paragraph (1) are insufficient to cover the amount of interest payments, issuance costs, and custodial fees, the Financing