



OFFICE OF THE CHAIRMAN

January 19, 2006

Honorable Barney Frank  
Ranking Minority Member  
Committee on Financial Services  
House of Representatives  
Washington, D.C. 20515

Dear Congressman Frank:

Thank you for your letter regarding the federal deposit insurance application filed by Wal-Mart Bank (In Organization).

Your letter requests that the Federal Deposit Insurance Corporation defer any decision until its Board of Directors is fully constituted. In the case of the deposit insurance application filed by Wal-Mart Bank (In Organization), as in all cases, the FDIC's primary objective is to complete a comprehensive review of the application and render a determination in a timely manner. This application involves complex issues that require analyses that will take some time to complete. I believe that the Board of Directors will be fully constituted before a final decision is rendered on this application.

Your letter also renewed a request for public hearings on this application. As you have noted, the FDIC's procedures regarding public hearings are governed by section 303.10 of the FDIC's Rules and Regulations. Section 303.10 provides that the FDIC generally grants a hearing request if it determines that written submissions would be insufficient or that a hearing otherwise would be in the public interest. This application has generated more than 1,500 comments from the public and more than 90 requests for hearings. While comment volume alone is not necessarily grounds for a hearing, in this case the public interest appears to be substantial and the FDIC should make every effort to permit public participation and to be fully informed before making a final determination on this application. I expect that any final determination on this application will be made by the Board of Directors and will not be acted on by the Board without the benefit of a public hearing.

Sincerely,

Martin J. Gruenberg  
Acting Chairman