

*General description of report:* This information collection is mandatory [12 U.S.C. §§35, 222, 282, 287, 288, and 321 and 12 C.F.R. §§209.1, 209.3, 209.5(b), 209.6, 209.7, and 209.8] and is not given confidential treatment.

*Abstract:* These Federal Reserve Bank stock application forms are required to be submitted to the Federal Reserve System by any national bank, state member bank, or state nonmember bank wanting to purchase stock in the Federal Reserve System, increase or decrease its Federal Reserve Bank stock holdings, or cancel such stock.

National banks, chartered by the Comptroller of the Currency, are required to become members of the Federal Reserve System. State-chartered commercial banks may elect to become members if they meet the requirements established by the Board of Governors of the Federal Reserve System. When a bank receives approval for membership in the Federal Reserve System, the bank agrees to certain conditions of membership which are contained in an approval letter sent to the bank by the Federal Reserve Bank in the District where the bank is located. In addition to the conditions of membership, the bank also is advised by the Reserve Bank that it must subscribe to the capital stock of the Federal Reserve Bank of its District in an amount equal to 6 percent of the bank's paid-up capital and surplus, including reserve for dividends payable in common stock, pursuant to Section 5 of the Federal Reserve Act and Regulation I. However, the bank is required to make payment for only 50 percent of the subscription, which is recorded as paid-in capital on the Reserve Bank's balance sheet. The remaining 50 percent is subject to call by the Board of Governors of the Federal Reserve System. On June 30, 1994, there were 4,160 Federal Reserve member banks, and their consolidated paid-in capital at the twelve Federal Reserve Banks was \$3.5 billion.

The applications are necessary in order to obtain account data on the bank's capital and surplus and to document its request to increase or decrease its holdings of Federal Reserve Bank stock. Another purpose of the applications is to verify that a request has been duly authorized and to prevent unauthorized requests for issuance or cancellation of Federal Reserve Bank stock. The applications are used exclusively by the applying banks and the Federal Reserve Banks. The information collected on the applications is not available from any other source.

Board of Governors of the Federal Reserve System, September 15, 1995.

William W. Wiles,

*Secretary of the Board.*

[FR Doc. 95-23386 Filed 9-20-95; 8:45AM]

BILLING CODE 6210-01-F

### **Nathaniel Anderson, et al.; Change in Bank Control Notice**

#### **Acquisition of Shares of Banks or Bank Holding Companies**

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. Once the notices have been accepted for processing, they will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for the notice or to the offices of the Board of Governors. Comments must be received not later than October 4, 1995.

A. Federal Reserve Bank of Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:  
 1. *Nathaniel Anderson*, B.M. Broderick, Jr., Manfred Hill, and Gary J. Marshik, all of Canton, South Dakota, each to acquire an additional 5 percent, for a total of 25 percent, of the voting shares of Canton Bancshares, Inc., Canton, South Dakota, and thereby indirectly acquire First American Bank, Canton, South Dakota.

Board of Governors of the Federal Reserve System, September 14, 1995.

William W. Wiles,

*Secretary of the Board.*

[FR Doc. 95-23371 Filed 9-20-95; 8:45 am]

BILLING CODE 6210-01-F

### **Bank of Boston Corporation; Notice of Application to Engage de novo in Permissible Nonbanking Activities**

The company listed in this notice has filed an application under § 225.23(a)(1) of the Board's Regulation Y (12 CFR 225.23(a)(1)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage *de novo*, either directly or

through a subsidiary, in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 4, 1995.

A. Federal Reserve Bank of Boston (Robert M. Brady, Vice President) 600 Atlantic Avenue, Boston, Massachusetts 02106:

1. *Bank of Boston Corporation*, Boston, Massachusetts; to engage *de novo*, through its subsidiary BancBoston Leasing Investments, Inc., Boston, Massachusetts, in arranging and investing in entities for the financing of low-income housing eligible for Federal income tax credits under Section 42 of the Internal Revenue Code, and providing advice to customers in connection therewith; and the acquisition of both real and personal property for lease to customers and acting as broker, agent or advisor in connection therewith pursuant to §§ 225.25(b)(4), 225.25(b)(5), and 225.25(b)(6) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, September 14, 1995.

William W. Wiles,

*Secretary of the Board.*

[FR Doc. 95-23375 Filed 9-20-95; 8:45 am]

BILLING CODE 6210-01-F

**The Bessemer Group, Incorporated;  
Notice to Engage in Certain  
Nonbanking Activities**

The Bessemer Group, Incorporated, Woodbridge, New Jersey (Notificant), has provided notice pursuant to section 4(c)(8) of the Bank Holding Company Act (12 USC 1843(c)(8)) (BHC Act) and section 225.23 of the Board's Regulation Y (12 CFR 225.23), to establish a wholly owned *de novo* subsidiary, Bessemer Asset Management, Inc., New York, New York (Company), that would establish and control one or more limited partnerships (Partnerships), including Old Westbury Investment Partners, L.P., New York, New York. Company would serve as the sole general partner of the Partnerships and would provide administrative services to the Partnerships. In order to serve as the general partner of the Partnerships, Company would register with the Commodity Futures Trading Commission as a commodity pool operator (CPO). Company would engage unaffiliated asset managers to manage the investment portfolios of the Partnerships, and the limited partnership interests in the Partnerships would be privately placed with institutional customers by Notificant's subsidiary banks and a broker-dealer subsidiary of one of Notificant's subsidiary banks. Directors, officers and employees of Notificant's subsidiary banks and trust companies may serve as directors and officers of Company. However, directors of Notificant's subsidiary banks and trust companies would not be engaged in the management or performance of Company's day-to-day operations. Notificant proposes that the Partnerships be permitted to invest in the following instruments:

1. U.S. government and agency securities and other securities in which national banks may invest;
2. All types of debt and equity securities;
3. Loan participations;
4. Foreign exchange and interest rate contracts, including spot, forward, swap, futures, options, and options on futures contracts;
5. Money market instruments and commercial paper;
6. options, swaps, futures and options on futures on financial assets and indices, including securities and bond indices;
7. Gold and silver coin, bar, round and bullion, as well as spot, forward, futures, options, and options on futures contracts on such metals;

8. Futures and options on futures contracts on a wide variety of non-financial commodities;

9. Distressed debt securities, including debt securities of an issuer that are in default, bankruptcy, receivership, or subject to an assignment for the benefit of creditors; and

10. Platinum and palladium coin, bar, round and bullion, as well as spot, forward, futures, options and options on futures contracts on these metals. Notificant has stated that the Partnerships may establish wholly owned subsidiaries to hold certain assets, instruments and contracts. The proposed activities are to be conducted throughout the United States.

Section 4(c)(8) of the BHC Act provides that a bank holding company may, with Board approval, engage in any activity "which the Board, after due notice and opportunity for hearing, has determined (by order or regulation) to be so closely related to banking or managing or controlling banks as to be a proper incident thereto". In determining whether a proposed activity is closely related to banking for purposes of the BHC Act, the Board considers, *inter alia*, the matters set forth in *National Courier Association v. Board of Governors of the Federal Reserve System*, 516 F.2d 1229 (D.C. Cir. 1975). These considerations are

1. Whether banks generally have in fact provided the proposed services,
2. Whether banks generally provide services that are operationally or functionally so similar to the proposed services as to equip them particularly well to provide the proposed services, and
3. Whether banks generally provide services that are so integrally related to the proposed services as to require their provision in a specialized form. See 516 F.2d at 1237. In addition, the Board may consider any other basis that may demonstrate that the activity has a reasonable or close relationship to banking or managing or controlling banks. *Board Statement Regarding Regulation Y*, 49 FR 806 (1984).

Notificant maintains that the Board previously has permitted a bank holding company to organize, act as the general partner of, and provide administrative services to limited partnerships whose interests are not registered under the Securities Act of 1933. See *Meridian Bancorp, Inc.*, 80 Federal Reserve Bulletin 736 (1994) (*Meridian*). Notificant also maintains that the proposed activities of the Partnerships, which include investing in instruments that were not considered in *Meridian*, are operationally and functionally similar to the investment portfolio

services that Notificant's subsidiary trust companies perform for their customers.

Notificant states that the limited partnerships involved in *Meridian* were permitted to invest in the instruments listed in paragraphs 1 and 2. Notificant also states that the Board has permitted bank holding companies to invest for their own accounts in most of the instruments listed in paragraphs 3 through 8. See 12 CFR 225.25(b)(1) (acquiring participations in loans); *The Hongkong and Shanghai Banking Corporation*, 75 Federal Reserve Bulletin 217 (1989) (trading foreign exchange); *The Hongkong and Shanghai Banking Corporation*, 72 Federal Reserve Bulletin 345 (1986), *Westpac Banking Corporation*, 73 Federal Reserve Bulletin 61 (1987), and *Swiss Bank Corporation*, 81 Federal Reserve Bulletin 185 (1995) (*Swiss Bank*) (trading money market instruments, interest rate contracts, gold, silver, contracts on certain financial assets and indices, and contracts on non-financial commodities and indices). Notificant maintains that the Office of the Comptroller of the Currency (OCC) has permitted national banks to purchase and sell for hedging purposes those instruments listed in paragraphs 6 through 8 that the Board has not permitted bank holding companies to trade. For this reason, Notificant states that these activities are functionally and operationally so similar to activities conducted by banks that banking organizations are particularly well equipped to engage in the proposed activities.

The Board has not previously permitted a bank holding company to act as a CPO. Notificant contends that this activity is similar to organizing, and acting as the general partner of, a closed-end investment company or an unregistered limited partnership. See *Meridian* and 12 CFR 225.24(b)(4). Notificant also notes that the OCC has permitted a national bank to act as a CPO under certain circumstances. See OCC Interpretive letter No. 496 (December 18, 1989).

Notificant believes that investing in the instruments and commodities listed in paragraphs 9 and 10 is closely related to banking. Notificant maintains that investing in distressed debt is within the scope of a bank holding company's authority to acquire non-controlling positions in the securities of any issuer. In this regard, Notificant has made certain commitments in its notice, including that the Partnerships would not acquire quantities of distressed debt that are reasonably likely to result in the Partnerships acquiring more than 5

percent of the voting securities of the obligor. In addition, Notificant maintains that investing in platinum and palladium is closely related to banking. Notificant states that since the Board's denial of an application by a bank holding company to deal in platinum and palladium, *Standard and Chartered Banking Group, Ltd.*, 38 FR 27,552 (1973), the Board has permitted bank holding companies, under Regulation K, to trade these metals. See *Republic National Bank of New York*, 80 Federal Reserve Bulletin 177 (1994); *J.P. Morgan & Company, Inc.*, 76 Federal Reserve Bulletin 552 (1990). The Board also has permitted a bank holding company, under Regulation Y, to trade platinum coin, bullion and futures. See *Swiss Bank*. Notificant maintains that based on these orders, and in light of the precious metals activities currently conducted by banks, the proposed activities are functionally and operationally so similar to activities conducted by banks that banking organizations are particularly well equipped to engage in the proposed activities.

In order to approve the proposal, the Board must determine that the proposed activities "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices." 12 U.S.C. 1843(c)(8).

Notificant believes that the proposed activities would produce public benefits that outweigh any potential adverse effects. These public benefits include increased competition and greater convenience to Notificant's customers. In addition, Notificant indicates that the proposed activities, in light of Notificant's proposed safeguards and the commitments made by Notificant, would not result in adverse effects such as an undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

In publishing the proposal for comment, the Board does not take a position on issues raised by the proposal. Notice of the proposal is published solely to seek the views of interested persons on the issues presented by the notice and does not represent a determination by the Board that the proposal meets, or is likely to meet, the standards of the BHC Act.

Any comments or requests for hearing should be submitted in writing and received by William W. Wiles, Secretary, Board of Governors of the

Federal Reserve System, Washington, D.C. 20551, not later than October 19, 1995. Any request for a hearing on this notice must, as required by section 262.3(e) of the Board's Rules of Procedure (12 C.F.R. 262.3(e)), be accompanied by a statement of the reasons why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

The notice may be inspected at the offices of the Board of Governors or the Federal Reserve Bank of New York.

Board of Governors of the Federal Reserve System, September 14, 1995.

William W. Wiles,

*Secretary of the Board*

[FR Doc. 95-23369 Filed 9-20-95; 8:45 am]

BILLING CODE 6210-01-F

#### **Carroll County Bancshares, Inc.; Acquisition of Company Engaged in Permissible Nonbanking Activities**

The organization listed in this notice has applied under § 225.23(a)(2) or (f) of the Board's Regulation Y (12 CFR 225.23(a)(2) or (f)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to acquire or control voting securities or assets of a company engaged in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of

fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 4, 1995.

A. Federal Reserve Bank of Chicago (James A. Bluemle, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Carroll County Bancshares, Inc.*, Carroll, Iowa; to acquire Carroll Credit, Inc., Carroll, Iowa, and thereby engage in owning and operating a finance company, and to engage in credit insurance activities through Notificant's subsidiary, Credit, pursuant to §§ 225.25(b)(1)(i) and 225.25(b)(8)(i) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, September 14, 1995.

William W. Wiles,

*Secretary of the Board.*

[FR Doc. 95-23372 Filed 9-20-95; 8:45 am]

BILLING CODE 6210-01-F

#### **Doniphan Bancshares, Inc., et al.; Formations of; Acquisitions by; and Mergers of Bank Holding Companies**

The companies listed in this notice have applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.14) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank or to the offices of the Board of Governors. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Unless otherwise noted, comments regarding each of these applications must be received not later than October 13, 1995.