

services, including incidental advisory services, with respect to futures and options on futures on certain non-financial commodities. Also, to execute without clearing, and clear without executing, futures on certain financial products. The proposed activities would be provided to institutional investors and employees trading for their own accounts. (See, *J.P. Morgan & Co. Incorporated*, 80 Fed. Res. Bull. 151 (1994); and *Northern Trust Corporation*, 79 Fed. Res. Bull. 723 (1993)).

B. Federal Reserve Bank of Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. *Zumbrota Agency, Inc.*, Zumbrota, Minnesota; to engage *de novo* in retaining and purchasing loan participations, pursuant to § 225.25(b)(1) of the Board's Regulation Y. The geographic scope for these activities is Minnesota.

Board of Governors of the Federal Reserve System,

William W. Wiles,

Secretary of the Board.

[FR Doc. 96-9394 Filed 4-16-96; 8:45 am]

BILLING CODE 6210-01-F

Deutsche Bank, AG; Notice of Application to Engage in Certain Nonbanking Activities

Deutsche Bank AG, Frankfurt, Germany (Deutsche Bank), has provided notice, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) (BHC Act) and section 225.23(a) of the Board's Regulation Y (12 CFR 225.23(a)), to acquire indirectly through *debis Financial Services, Inc.*, Norwalk, Connecticut, all the voting shares of *Remarketing Services of America, Inc.*, Amherst, New York (Company), and thereby engage in providing remarketing and repossession services for automobiles and recreational vehicles that have been financed or leased by third parties. The proposed remarketing services would be provided either at the expiration of the lease or upon repossession of the vehicle and would include arranging for the transportation, inspection, and resale of the vehicle; arranging for the transfer of title for the vehicle from the lender or lessor to the seller or purchaser of the vehicle; engaging in telemarketing activities designed to locate potential sellers, buyers or lessees of vehicles reaching the end of their lease term; arranging for the repair of previously leased or financed vehicles, including the filing of insurance claims; and market value and residual value

forecasting. Such activities would be conducted throughout the world.

Section 4(c)(8) of the BHC Act provides that a bank holding company may, with Board approval, engage in any activity that 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. This statutory test requires that two separate tests be met for an activity to be permissible for a bank holding company. First, the Board must determine that the activity is, as a general matter, closely related to banking. Second, the Board must find in a particular case that the performance of the activity by the applicant bank holding company may reasonably be expected to produce public benefits that outweigh possible adverse effects.

A particular activity may be found to meet the "closely related to banking" test if it is demonstrated that banks generally have provided the proposed activity, that banks generally provide services that are operationally or functionally similar to the proposed activity so as to equip them particularly well to provide the proposed activity, or that banks generally provide services that are so integrally related to the proposed activity as to require their provision in a specialized form.

National Courier Ass'n v. Board of Governors, 516 F.2d 1229, 1237 (D.C. Cir. 1975). 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 794, 806 (1984). Deutsche Bank contends that the proposed activities are within the scope of collection agency activities previously determined by the Board to be closely related to banking.

In order to approve the proposal, the Board also must determine that the proposed activities to be conducted by Deutsche Bank "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." 12 U.S.C. 1843(c)(8). Deutsche Bank believes that the proposal would produce public benefits that outweigh any potential adverse effects. In particular, Deutsche Bank maintains that the proposal would not materially reduce competition in the relevant markets and would enable

Company to expand its operations. Deutsche Bank also maintains that the proposal would not result in any adverse effects.

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 application 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 May 2, 1996. Any request for a hearing on this application must, as required by § 262.3(e) of the Board's Rules of Procedure (12 CFR 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.

This application 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, April 12, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-9457 Filed 4-16-96; 8:45 am]

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Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies That are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.25 of Regulation Y (12 CFR 225.25) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. Once the notice has been accepted for