

Texas, and thereby indirectly acquire First Munday Bancshares of Delaware, Inc., Munday, Texas, and First National Bank in Munday, Munday, Texas.

2. *Paradigm Bancorporation, Inc.*, Houston, Texas; to become a bank holding company by acquiring 100 percent of the voting shares of Paradigm Delaware Bancorporation, Inc., Dover, Delaware, and thereby indirectly acquire Woodcreek Bank, Houston, Texas.

In connection with this application, Paradigm Delaware Bancorporation, Inc., Dover, Delaware, has also applied to become a bank holding company by acquiring 100 percent of the voting shares of Woodcreek Bank, Houston, Texas.

E. Federal Reserve Bank of San Francisco (Kenneth R. Binning, Director, Bank Holding Company) 101 Market Street, San Francisco, California 94105:

1. *Humboldt Bancorp.*, Eureka, California; to acquire 100 percent of the voting shares of Humboldt Bank Nevada, Las Vegas, Nevada (in organization).

Board of Governors of the Federal Reserve System, September 11, 1996.

Jennifer J. Johnson

Deputy Secretary of the Board

[FR Doc. 96-23731 Filed 9-16-96; 8:45 am]

BILLING CODE 6210-01-F

Notice of Proposal to Engage in Nonbanking Activities or to Acquire Companies that are Engaged in Nonbanking Activities

Carolina First Corporation, Greenville, South Carolina (Applicant), has given 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 up to 20.2 percent of the voting shares of Affinity Technology, Inc., Columbia, South Carolina (Company), and thereby engage in providing data processing software and hardware to insured depository institutions (financial institutions). The software consists of a proprietary Decision Support System (DSS) that would automate the data collection and collation and credit scoring involved in processing and acting on mortgage and other loan applications. The hardware consists of automated loan machines (ALMs) at which financial institution customers could apply for and receive proceeds of loans processed by DSS. Company also would provide the software to operate the ALMs. Company currently provides these services to financial institutions throughout the

United States, and would continue to provide services on a nationwide basis.

Section 4(c)(8) of the BHC Act provides that a bank holding company may 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 have generally provided the proposed services, that banks generally provide services that are operationally or functionally similar to the proposed services so as to equip them particularly well to provide the proposed services, or that banks generally provide services that are so integrally related to the proposed services 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 806 (1984); *Securities Industry Ass'n v. Board of Governors*, 468 U.S. 207, 210-11, n.5 (1984). A bank holding company also may engage in any incidental activities that are necessary to carry on an activity that is closely related to banking. See 12 CFR 225.21(a)(2); *National Courier* at 1239-1241.

Applicant states that the Board previously has determined by regulation that providing certain data processing and data transmission services and facilities (including software) and providing access to such services and facilities by any technological means are closely related to banking for purposes of section 4(c)(8) of the BHC Act. In order to be found to be closely related to banking, the data to be handled must be "financial, banking, or economic" in nature, and such activities must be conducted within certain additional limitations established by the Board. See 12 CFR 225.25(b)(7). Applicant maintains that Company's proposed

activities would relate to financial, banking, or economic data, and would otherwise conform to Regulation Y.

Applicant states that the ALM hardware to be provided under the proposal is special purpose hardware because it is designed to process only financial, banking, or economic data related to automated loan transactions, and therefore asserts that the provision of the hardware is closely related to banking. See *Citicorp*, 72 Fed. Res. Bull. 497, 499 (1986) (*Citicorp*). To the extent that it is determined that the hardware includes general purpose hardware, Applicant states that it will be offered only in conjunction with permissible data processing software and will not constitute more than 30 percent of the cost of any packaged offering in which it is contained, as required by Regulation Y. See 12 CFR 225.25(b)(7)(iii). Applicant also states that there is no other producer of ALM hardware, and contends that as a result the production of ALM hardware by Company is permissible as a necessary incident to Company's other activities. See *Citicorp* at 500; Board Ruling at II F.R.R.S. 4-472.1 (June 19, 1989).

In order to approve the proposal, the Board also must determine that the proposed activities to be engaged in by Company are a proper incident to banking that "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). Applicant contends that its proposal would produce public benefits by reducing cost and providing greater convenience in loan processing that outweigh any potential 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 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 to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than September 27, 1996. Any request for a hearing on this notice 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 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 Richmond.

Board of Governors of the Federal Reserve System, September 9, 1996.

Jennifer J. Johnson

Deputy Secretary of the Board

[FR Doc. 96-23482 Filed 9-16-96; 8:45 am]

BILLING CODE 6210-01-F

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 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 the proposal complies with the standards of section 4 of the BHC Act, including 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" (12 U.S.C. 1843). 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.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 1, 1996.

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

1. *The Royal Bank of Scotland Group plc*, Edinburgh, Scotland, The Royal Bank of Scotland plc, Edinburgh, Scotland, The Governor and Company of the Bank of Ireland, Dublin, Ireland, and Citizens Financial Group, Inc., Providence, Rhode Island; to engage *de novo* through their subsidiary, Citizens Capital, Inc., Boston, Massachusetts (tentative name), in commercial lending activities, pursuant to § 225.25(b)(1) of the Board's Regulation Y.

B. Federal Reserve Bank of Atlanta (Zane R. Kelley, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303:

1. *The Colonial BancGroup, Inc.*, Montgomery, Alabama; to acquire First Family Financial Corporation, Eustis, Florida, and thereby indirectly acquire First Family Bank, FSB, Eustis, Florida, and thereby engage in operating a savings association, pursuant to § 225.25(b)(9) of the Board's Regulation Y. These activities will be performed throughout the State of Florida.

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

1. *Brunsville Bancorporation, Inc.*, Brunsville, Iowa; to engage *de novo* in acting as an insurance agent and selling all types of insurance, pursuant to §§ 225.25(b)(8)iii and 225.25(b)(8)vi of the Board's Regulation Y.

2. *Merrill Bancorporation, Inc.*, Merrill, Iowa; to engage *de novo* in acting as an insurance agent and selling all types of insurance, pursuant to §§ 225.25(b)(8)iii and 225.25(b)(8)vi of the Board's Regulation Y.

D. Federal Reserve Bank of Minneapolis (Karen L. Grandstrand, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. *Norwest Corporation*, Minneapolis, Minnesota, Norwest Financial Services, Inc., Des Moines, Iowa, and Norwest Financial, Inc., Des Moines, Iowa; to engage *de novo* through their subsidiary, Norwest Financial Maine, Inc., Des Moines, Iowa, in making, acquiring, or servicing loans or other extensions of credit relating to consumer finance, sales finance, and commercial finance (including but not limited to accounts

receivable financing, factoring, and other secured lending activities), pursuant to § 225.25(b)(1) of the Board's Regulation Y; in underwriting and sale of credit life insurance, pursuant to §§ 225.25(b)(8)(i) and (vii) of the Board's Regulation Y; in the sale, on an agency basis, of credit accident and health insurance, credit property and casualty, and involuntary unemployment insurance, pursuant to § 225.25(b)(8)(vii) of the Board's Regulation Y; in the issuance and sale at retail of money orders and travelers checks, pursuant to § 225.25(b)(12) of the Board's Regulation Y; in the servicing of loans and other extensions of credit for other persons, pursuant to § 225.25(b)(1) of the Board's Regulation Y; in offering and selling of bookkeeping, payroll, and other management reporting services and data processing services, pursuant to § 225.25(b)(7) of the Board's Regulation Y. These activities will be conducted throughout the State of Maine.

Board of Governors of the Federal Reserve System, September 11, 1996.

Jennifer J. Johnson

Deputy Secretary of the Board

[FR Doc. 96-23730 Filed 9-16-96; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL TRADE COMMISSION

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Federal Trade Commission.

TIME AND DATE: 2:00 p.m., Friday, October 11, 1996.

PLACE: Federal Trade Commission Building, Room 532, 6th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580.

STATUS: Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public.

MATTERS TO BE CONSIDERED:

Portions Open to Public: (1) Oral Argument in International Association of Conference Interpreters, et al., Docket 9270.

Portions Closed to the Public: (2) Executive Session to follow Oral Argument in International Association of Conference Interpreters, et al., Docket 9270.

CONTACT PERSON FOR MORE INFORMATION:

Victoria Streitfeld, Office of Public Affairs: (202) 326-2180. Recorded Message: (202) 326-2711.

Donald S. Clark,
Secretary.

[FR Doc. 96-23943 Filed 9-13-96; 2:48 pm]

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