

Tennessee, and thereby indirectly acquire United American Bank, Memphis, Tennessee.

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

1. *Norwest Corporation*, Minneapolis Minnesota; to acquire 100 percent of the voting shares of Central Bancorporation, Inc., Fort Worth, Texas, and thereby indirectly acquire Central Bank and Trust Company, Fort Worth Texas.

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

1. *City National Corporation*, Beverly Hills, California; to merge with Ventura County National Bancorp, Oxnard, California, and thereby indirectly acquire Ventura County National Bank, Oxnard, California, and Frontier Bank, N.A., La Palma, California.

Board of Governors of the Federal Reserve System, October 31, 1996.

Jennifer J. Johnson,

*Deputy Secretary of the Board.*

[FR Doc. 96-28450 Filed 11-5-96; 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 November 20, 1996.

A. Federal Reserve Bank of Richmond (Lloyd W. Bostian, Jr., Senior Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. *First Citizens BancShares, Inc.*, Raleigh, North Carolina; to engage *de novo* through its subsidiary, Atlantic States Bank, Raleigh, North Carolina, in owning and operating a savings association, pursuant to § 225.25(b)(9) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, October 31, 1996.

Jennifer J. Johnson,

*Deputy Secretary of the Board.*

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[Docket No. R-0778]

#### **Federal Reserve Bank Services**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Notice.

**SUMMARY:** The Board has announced that, effective December 8, 1997, the Fedwire on-line funds transfer service will open at 12:30 a.m. Eastern Time five days per week (Monday through Friday). Previously, the Board determined that expansion of the Fedwire funds transfer service to 18 hours per day could be a useful component of private-sector initiatives to reduce settlement risk in the foreign exchange markets and to eliminate an operational barrier to potentially important innovation in privately-provided payment and settlement services.

**EFFECTIVE DATE:** December 8, 1997.

**FOR FURTHER INFORMATION CONTACT:** Louise Roseman, Associate Director (202/452-2789), Jeff Stehm, Manager (202/452-2217), or Jeannine Butcavage,

Financial Services Analyst (202/452-2225), Division of Reserve Bank Operations and Payment Systems, Board of Governors of the Federal Reserve System. For the hearing impaired *only*: Telecommunications Device for the Deaf, Dorothea Thompson (202/452-3544).

#### **SUPPLEMENTARY INFORMATION:**

##### **I. Background**

In February 1994, the Board approved an expansion of the operating hours for the Fedwire on-line funds transfer service to 18 hours per day, five days per week (Monday through Friday) beginning in 1997, with the specific implementation date to be announced approximately one year in advance of the effective date (59 FR 8981, February 24, 1994; 60 FR 110, January 3, 1995). Beginning December 8, 1997, the Fedwire on-line funds transfer service will open at 12:30 a.m. and close at 6:30 p.m. Eastern Time.<sup>1, 2, 3</sup> Participation in the earlier operating hours is voluntary.

A 12:30 a.m. Fedwire opening time will overlap the entire European banking day and about two and one-half hours of the banking day in Tokyo. The Board believes that overlaps in operating hours among major financial centers will contribute to strengthened interbank settlement for cross-border markets. The closing time for the Fedwire funds transfer service will remain at 6:30 p.m. As discussed at length in the Board's February 1994 decision, the Board believes that the long-run benefits from offering final payment capabilities will strengthen interbank settlements and contribute to reductions in foreign exchange settlement risk through innovations in payment and settlement practices. In addition, the Fedwire funds transfer service will be an important tool for managing settlement risk early in the day during times of financial stress.

##### **II. Implementation**

##### **A. Funds Transfer Business Day**

With the earlier opening time of the Fedwire funds transfer system, the Federal Reserve Banks' funds transfer business day for on-line transfers will begin with the opening of the Fedwire funds transfer system at 12:30 a.m. and end with its closing (typically 6:30

<sup>1</sup> The current operating hours for the Fedwire on-line funds transfer service are 8:30 a.m. to 6:30 p.m. Eastern Time, five days per week (Monday through Friday).

<sup>2</sup> All times referenced are Eastern Time unless otherwise noted.

<sup>3</sup> The earlier opening of the Fedwire on-line funds transfer service will not affect the opening time for the origination of and telephone advice of credit for Fedwire off-line funds transfers.

p.m.), Monday through Friday, except for specified holidays observed by the Federal Reserve Banks.<sup>4</sup> For transfers originated during the very early hours, the Federal Reserve's funds transfer business day may differ from the calendar day on which a Fedwire participant sends or receives the transfer. For example, in the expanded operating hours environment, when a West Coast bank originates a Fedwire funds transfer on Tuesday at 10:00 p.m. Pacific Time (1:00 a.m. on Wednesday Eastern Time), its Federal Reserve Bank will deem that transfer to have occurred on its Wednesday funds transfer business day.

### *B. Opening Time Considerations*

While the Federal Reserve will establish 12:30 a.m. as the standard opening time for the Fedwire funds transfer service, lengthy extensions to the closing time on the previous day could delay the 12:30 a.m. opening for the next business day. The Federal Reserve, therefore, will limit lengthy closing time extensions of the Fedwire funds transfer system to only those necessary to prevent significant market disruptions.

### *C. Notification of Participation*

Some Fedwire participants have indicated to their Federal Reserve Banks that they would find useful a listing of depository institutions that plan to participate during the earlier hours. Participants stated that this information would help them to decide whether it would be beneficial to use their intraday liquidity to initiate certain Fedwire funds transfers during the earlier hours. To accommodate this request, the Federal Reserve will provide a list of earlier hour participants. This list will be updated regularly.

The list of earlier hour participants will not be restrictive; consequently, depository institutions will be permitted to send on-line funds transfers during the earlier hours even if they are not on the Federal Reserve's list of participants. All depository institutions will receive any funds transfers sent to them during the earlier hours whether or not they choose to participate in the earlier hours.

<sup>4</sup> Uniform Commercial Code Article 4A-106(a) states that a receiving bank may fix a cut-off time(s) on a funds transfer business day for the receipt and processing of payment orders, and treat payment orders received after the close of a funds transfer business day as received at the opening of the next funds transfer business day.

### *D. Fees for Transfers Made During Earlier Hours*

During the 12:30 a.m. to 8:30 a.m. period, transaction fees for Fedwire funds transfers will be charged at the same level and in the same manner as transfers made during the 8:30 a.m. to 6:30 p.m. regular business hours.

### *E. Intraday Credit*

Federal Reserve intraday credit will be provided to Fedwire participants during the 12:30 a.m. to 8:30 a.m. period on the same basis that such credit is provided after 8:30 a.m. That is, eligible institutions may incur intraday overdrafts subject to the requirements of the Board's payment system risk policy. To adjust for the additional operating hours during the day, daylight overdraft fees for all Fedwire participants will be calculated based on an 18-hour Fedwire day rather than a 10-hour Fedwire day.<sup>5</sup>

Posting times for some non-wire transactions are tied to the opening of the Fedwire funds transfer system.<sup>6</sup> In order not to change the current effective posting times of these transactions, the Board's posting rules have been modified to continue to post these transactions at 8:30 a.m. Interest and redemption payments on U.S. Treasury and Government agency securities generally will be posted between 8:30 a.m. and 9:15 a.m.<sup>7</sup>

### *F. Policy Statement Changes*

As discussed above, the Board has adopted minor changes to the "Federal Reserve Policy Statement on Payments System Risk," effective December 8, 1997. In section (I)(A) (Federal Reserve

<sup>5</sup> An institution's overdraft charges are calculated daily and equal the gross overdraft charge less the amount of a deductible. The gross overdraft charge is the product of the nominal daily overdraft rate and the average overdraft. Because the nominal daily rate is based on the portion of the day that the Fedwire funds transfer system is open, the nominal daily rate will increase with an 18-hour day. However, the average overdraft calculated for a longer Fedwire day will correspondingly decrease for a given level of total overdrafts. Based on the current daylight overdraft rate, the annual rate will increase from 15 basis points for a 10-hour Fedwire day to 27 basis points for an 18-hour Fedwire day. At the same time, the number of minutes used to average end-of-minute overdrafts will increase from 601 to 1081. The deductible is equal to 10 percent of an institution's qualifying capital valued at an effective daily rate that will be fixed at 10 of 24 hours. This issue was addressed at length in the Board's 1992 announcement of daylight overdraft fees (57 FR 47084, October 14, 1992).

<sup>6</sup> Specifically, these transactions include ACH credit transactions, advance notice Treasury investments, interest and redemption payments on state and local government series Treasury securities, and Treasury checks, postal money orders, local Reserve Bank checks, and EZ-Clear savings bond redemptions deposited by 12:01 a.m. or a later local deadline.

<sup>7</sup> The posting rules indicate that these transactions will be posted "by 9:15 a.m."

Policy—Daylight Overdraft Definition), in the table labeled "Modified Procedures for Measuring Daylight Overdrafts," the heading "Post at the Opening of Fedwire Funds Transfer System" is revised to read "Post at 8:30 a.m. Eastern Time". In section (I)(B) (Federal Reserve Policy—Pricing), the third sentence of the second paragraph is revised to read "For example, under an 18-hour scheduled Fedwire operating day, the overdraft fee equals 27 basis points (36 basis points multiplied by 18/24)."

By order of the Board of Governors of the Federal Reserve System, October 30, 1996.

William W. Wiles,

*Secretary of the Board.*

[FR Doc. 96-28355 Filed 11-5-96; 8:45 am]

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## **FEDERAL TRADE COMMISSION**

### **Submission for OMB Review; Comment Request**

**AGENCY:** Federal Trade Commission.

**ACTION:** Submission to OMB; comment request.

**SUMMARY:** The FTC has submitted the information collection requirements contained in 12 current rules to OMB for review and clearance under the Paperwork Reduction Act, 44 U.S.C. Chapter 35. On August 26, 1996, the FTC solicited comment concerning these information collection requirements, providing the information specified in 5 CFR 1320.5(a)(iv). 61 FR 43764. No comments were received. The current OMB clearances for these requirements expire on December 31, 1996. The FTC has requested that OMB extend the paperwork clearances through December 31, 1999.

**DATES:** Comments must be filed by December 6, 1996.

**ADDRESSES:** Send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3228, Washington, DC 20503, ATTN: Edward Clarke, Desk Officer for the Federal Trade Commission, and to Elaine W. Crockett, Staff Attorney, Office of the General Counsel, Federal Trade Commission, Washington, DC 20580, (202)-326-2453.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the proposed information requirements should be addressed to Elaine W. Crockett at the address listed above.

**SUPPLEMENTARY INFORMATION:** The FTC has submitted requests for OMB review