

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 73-153

June 27, 1973

NOTICE OF POSSIBLE DELAY  
ON INSURANCE AGENCY APPLICATIONS

To All Banks, Bank Holding Companies, and Others  
Concerned in the Eleventh Federal Reserve District:

On June 19, 1973, the Board of Governors of the Federal Reserve System announced its decision to notify prospective Applicants proposing to engage, de novo or by acquisition of a going concern, in insurance agency activities that action by the Board on many of these applications may be delayed until the Board has acted on those insurance agency applications on which hearings have been ordered and are in progress.

Printed on the following pages is a copy of the Board's Press Release and Notice relating to this matter.

Yours very truly,

P. E. Coldwell,

President

Enclosure



# FEDERAL RESERVE

press release

For immediate release

June 19, 1973

The Board of Governors of the Federal Reserve System today announced its decision to notify prospective applicants proposing to engage, de novo or by acquisition of a going concern, in insurance agency activities that action by the Board on many of these applications may be delayed until the Board has acted on those insurance agency applications on which hearings have been ordered and are in progress.

Attached is a copy of the Board's Notice relating to this matter.

Attachment

FEDERAL RESERVE SYSTEM

Notice of Possible Delay in the Processing of Applications by Bank Holding Companies to Engage in Insurance Agency Activities

Notice is hereby given to prospective bank holding company applicants that if a substantive objection is received with respect to an application to engage, de novo or by acquisition of a going concern, in insurance agency activities, action on the application by the Board of Governors of the Federal Reserve System is likely to be delayed until the Board has acted on those insurance agency applications on which hearings have been ordered and are in progress.

The Board has granted requests for hearings on certain applications to engage in insurance agency activities pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and §§ 225.4(b)(1) and (2) of the Board's Regulation Y (12 CFR 225.4(b)(1) and (2)). As new applications will involve generally the same issues as those presented in one or more of the applications on which the Board has ordered hearings, neither additional hearings nor outright approval or denial of the new applications would appear to be desirable at this time.

Accordingly, notice is hereby given to prospective applicants proposing to engage in insurance agency activities pursuant to section 4(c)(8) of the Bank Holding Company Act, that such proposals hereafter submitted and as to which a substantive objection is filed, will in most instances be held in abeyance and not processed pending resolution of those applications on which the Board has ordered hearings.

It is anticipated that applications to engage in credit life and disability insurance and mortgage redemption insurance, as well as any application involving a community of less than 5,000 persons, may not be objected to in the future. Absent substantive objections, such cases will be duly processed in the normal manner.

Board of Governors of the Federal Reserve System, June 19, 1973.

(Signed) Tynan Smith

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Tynan Smith  
Secretary of the Board

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