



American Revolution Bicentennial

FEDERAL RESERVE BANK OF DALLAS
DALLAS, TEXAS 75222

Circular No. 75-132
September 5, 1975

PROPOSED AMENDMENT TO REGULATION H

**TO ALL STATE MEMBER BANKS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:**

Pursuant to the Securities Acts Amendments of 1975, the Board of Governors of the Federal Reserve System proposes to amend Regulation H, "Membership of State Banking Institutions in the Federal Reserve System," to require registration with the Board of all State member banks engaged in transfer agent activities. Shown on the reverse of this circular is a copy of the Board's press release. The FEDERAL REGISTER document and proposed registration form (Form TA-1) are enclosed.

To aid in consideration of the proposed amendment and registration statement, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D. C. 20551, to be received not later than September 29, 1975.

Additional copies of this circular and attachments will be furnished upon request to the Secretary's Office of this Bank.

Sincerely yours,

T. W. Plant

First Vice President

Enclosures



FEDERAL RESERVE

press release

For immediate release

August 28, 1975

The Board of Governors of the Federal Reserve System today published for comment a proposed regulatory amendment to implement provisions of the Securities Acts Amendments of 1975 that provide for registration of State member banks that act as transfer agents.

Comment will be received by the Board through September 29, 1975. Other bank regulators, and the Securities and Exchange Commission, are issuing similar regulations for institutions subject to their jurisdiction. Under the new legislation, bank transfer agents are regulated primarily by their designated Federal bank supervisory agency. In addition, the SEC has general rulemaking and policy oversight responsibilities for all clearing agencies' transfer agents with the objective of fostering a national system for the prompt and accurate clearance and settlement of securities transactions.

After December 1, 1975, State member banks may not act as transfer agents unless they are registered with the Board in compliance with the proposed regulation, as finally adopted.

Attached is the Board's proposed amendment to Regulation H -- Membership of State Banking Institutions in the Federal Reserve System -- and the proposed registration statement.

FEDERAL RESERVE SYSTEM

[Reg. H]

[12 CFR 208]

MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM

Notice of Proposed Rulemaking

Pursuant to authority of sections 17, 17A and 23(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78q, q-1 and w) ("Act"), the Board of Governors proposes to amend its Regulation H, "Membership of State Banking Institutions in the Federal Reserve System," (12 CFR 208) to require that, on or after December 1, 1975,^{1/} no State member bank or any of its subsidiaries shall act as a transfer agent, as defined in section 3(a)(25) of the Act, with respect to any security registered under section 12 of the Act or which would be required to be registered except for the exemption from registration provided by subsection (g)(2)(B) or (g)(2)(G) of that section, unless it has registered with the Board in conformity with the requirements of Form TA-1.^{2/}

This amendment relating to State member banks is proposed to assist in the development of a modern nationwide system for the safe and efficient handling of securities transactions in a manner which best serves the financial community and the investing public. Congress has directed the Board to regulate certain transfer agent activities to facilitate this purpose. Form TA-1 is designed to provide basic information related to transfer agents required to register with the Board in order to aid in the development of appropriate regulatory standards.

^{1/} See § 31(a) of Pub. L. 94-29 (June 4, 1975).

^{2/} A copy of Form TA-1 is filed as part of the original document. Copies are available on request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to any Federal Reserve Bank.

Pursuant to the amendment, a new paragraph (f) would be added to § 208.8, as set forth below:

Section 208.8--Banking Practices

* * * * *

(f) State member banks as transfer agents.

(1) On or after December 1, 1975, no State member bank or any of its subsidiaries shall act as a transfer agent, as defined in section 3(a)(25) of the Securities Exchange Act of 1934, ("Act") with respect to any security registered under section 12 of the Act or which would be required to be registered except for the exemption from registration provided by subsection (g)(2)(B) or (g)(2)(G) of that section, unless it shall have filed a registration statement with the Board in conformity with the requirements of Form TA-1, which registration statement shall have become effective as hereinafter provided. Any registration statement filed by a State member bank or its subsidiary shall become effective on the thirtieth day after filing with the Board unless the Board takes affirmative action to accelerate, deny or postpone such registration in accordance with the provision of 17A(c) of the Act. Such filings with the Board will constitute filings with the Securities and Exchange Commission for purposes of section 17(c)(1) of the Act.

(2) If the information contained in Items 1 - 5 of Form TA-1 becomes inaccurate, misleading or incomplete for any reason, the bank or its subsidiary shall, within ten calendar days thereafter file an amendment to Form TA-1 correcting the inaccurate, misleading or incomplete information. Within thirty calendar days following the close of any calendar year quarter (beginning with the calendar year quarter ending March 31, 1976), during which the information reported at Items 6 - 7 of Form TA-1 becomes inaccurate, misleading or incomplete the bank or its subsidiary shall file an amendment to Form TA-1 correcting the inaccurate, misleading or incomplete information. Each registration statement on Form TA-1 or amendment thereto shall constitute a "report" or "application" within the meaning of section 17, 17A(c) and 32(a) of the Act.

To aid in consideration of this matter by the Board, interested persons are invited to submit relevant data, views, or arguments concerning the proposed amendment and registration statement. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D. C. 20551, to be received not later than September 29, 1975. Such material will be made available for inspection and copying upon request, except as provided in section 261.6(a) of the Board's Rules Regarding Availability of Information (12 CFR 261.6(a)).

By order of the Board of Governors, August 25, 1975.

(signed) Theodore E. Allison
Theodore E. Allison
Secretary of the Board

[SEAL]

INSTRUCTIONS FOR USE OF
FORM TA-1

UNIFORM FORM FOR REGISTRATION AS A TRANSFER AGENT AND FOR AMENDMENT TO REGISTRATION AS A TRANSFER AGENT PURSUANT TO SECTION 17A OF THE SECURITIES EXCHANGE ACT OF 1934 (the "Act").

I. General Instructions for Preparing and Filing Form TA-1

1. Form TA-1 is to be used to apply for registration and to amend registration with the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation or the Securities and Exchange Commission. The respective addresses for filing are included as a separate page following these instructions.
2.
 - A. A transfer agent which is a national bank or a subsidiary of any such bank or a bank operating under the Code of Law for the District of Columbia or a subsidiary of any such bank is required to register with the Comptroller of the Currency.
 - B. A transfer agent which is a State member bank of the Federal Reserve System or a subsidiary of any such bank, a bank holding company or a subsidiary of a bank holding company which is a bank (other than a bank which is required to register with the Comptroller of the Currency or the Federal Deposit Insurance Corporation) is required to register with the Board of Governors of the Federal Reserve System.
 - C. A transfer agent which is a bank insured by the Federal Deposit Insurance Corporation (other than a bank which is a member bank of the Federal Reserve System) or a subsidiary thereof is required to register with the Federal Deposit Insurance Corporation.
 - D. All other transfer agents are required to register with the Securities and Exchange Commission.
3. Six copies of Form TA-1, Schedule A and any attachments are to be completed and filed with the appropriate regulatory agency for the transfer agent, as set forth in instruction 2 immediately above. An exact copy should be retained for your records. Copies of Form TA-1 and Schedule A may be obtained from any of the agencies listed on the pages

following these instructions. Copies of Form TA-1 and Schedule A may be mechanically duplicated and are acceptable for filing provided an original, manual signature is affixed in response to item 13 of Form TA-1 on each copy. Form TA-1 and Schedule A may be duplicated by any method producing legible copies, of type size identical to that in the Form, on good quality, unglazed, white paper, 8-1/2 x 11 inches in size.

4. If Form TA-1 is filed by a corporation, it shall be signed in the name of the corporation by a principal officer duly authorized; if it is filed otherwise than by a corporation, it shall be signed by a duly authorized principal of the organization filing the Form.
5. If the space provided for any answer on Form TA-1 is insufficient, the complete answer shall be prepared on Schedule A, which shall be attached to the Form.
6. Individuals' names, except for executing signatures, shall be given in full wherever required (last name, first name, middle name). The full middle name is required. Initials are not acceptable unless the individual legally has only an initial.
7. A Form TA-1 which is not prepared and executed in compliance with applicable requirements may be returned as not acceptable for filing. However, acceptance of Form TA-1 shall not constitute any finding that it has been filed as required or that the information submitted is true, current, or complete.
8. Unless the context otherwise requires, "registrant" means the entity on whose behalf Form TA-1 is filed, whether as a registration or as an amendment to a previously filed Form TA-1.
9. The information contained in Form TA-1 shall be amended upon the happening of certain events (see instruction 12 relating to amendments to Form TA-1).

10. Section 17(c)(1) of the Act, among other things, requires every transfer agent who files a registration form or amendment thereto with the Board of Governors of the Federal Reserve System, the Comptroller of the Currency or the Federal Deposit Insurance Corporation to file a copy of such registration form or amendment with the Securities and Exchange Commission. The Securities and Exchange Commission and the federal bank regulatory agencies have developed procedures pursuant to which the federal bank regulatory agencies will transmit a copy of any registration form or amendment filed with them to the Securities and Exchange Commission. Accordingly, such filings with the federal bank regulatory agencies by transfer agents for which the Commission is not the appropriate regulatory agency will constitute filings with the Commission for purposes of Section 17(c)(1) of the Act.

II. Instructions Relating to Filing Form TA-1 as a Registration Form

11. If Form TA-1 is being filed as a registration form, all applicable items are required to be answered in full. If any item is not applicable, respond with "none" or "N/A" (not applicable), as appropriate.

III. Instructions Relating to Filing Form TA-1 as an Amendment to a Registration Form

12. Within ten calendar days following the date on which information reported at items 1-5 of Form TA-1 becomes inaccurate, incomplete or misleading, the registrant shall file an amendment on Form TA-1 correcting the inaccurate, incomplete or misleading information. Within thirty calendar days following the close of any calendar year quarter (beginning with the calendar quarter ending March 31, 1976) during which the information reported at items 6-7 of Form TA-1 becomes inaccurate, incomplete or misleading, the registrant shall file an amendment on Form TA-1 correcting the inaccurate, incomplete or misleading information.
13. If an item is amended, the registrant must answer all other items on the page on which the amended item appears and must file the new page and a properly executed page 6. Unless Schedule A or an attachment is being amended, it is not necessary to file a new Schedule A or attachment pertaining to an unamended item on a page which is filed because it contains an amended item.

IV. Instructions as to SPECIFIC ITEMS on Form TA-1

14. Item 1 - Indicate the agency with which Form TA-1 is to be filed and whether the Form is filed as a registration or an amendment.
15. Item 2(a) - Include a street address; post office box numbers alone are not acceptable.
16. Item 6 - A separate schedule or computer run providing the information called for by this item may be attached.
17. Item 13 - Item 13 must include an original, manual signature.

V. Instructions Relating to SCHEDULE A

18. Schedule A may be used if the space provided for any answer on Form TA-1 is insufficient.

VI. Instructions Relating to Filing of Form TA-1

19. Four copies of Form TA-1, Schedule A, and any attachments are to be filed with the Board at its offices in Washington, D. C. Material may be filed by delivery to the Board, through the mails or otherwise. The date on which papers are actually received by the Board shall be the date of filing thereof if all the requirements with respect to filing have been complied with. In addition, two copies of Form TA-1, Schedule A, and any attachments are to be filed with the Federal Reserve Bank of the District in which registrant's principal banking operations are conducted.

Copies of FORM TA-1 are to be filed at the following addresses:

The Board of Governors of the Federal Reserve System
Washington, D.C. 20551

AND

Federal Reserve Bank of the District in which registrant's principal banking operations are conducted.

FORM TA-1

FORM TA-1

UNIFORM FORM FOR REGISTRATION AS A
TRANSFER AGENT AND FOR AMENDMENT TO
REGISTRATION AS A TRANSFER AGENT PURSUANT
TO SECTION 17A OF SECURITIES EXCHANGE
ACT OF 1934

GENERAL:

Form TA-1 is to be used to register as a transfer agent and to amend registration as a transfer agent with the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation or the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934 (the "Act"). Read all instructions before preparing the form. Please print or type all responses.

1. This Form is filed with _____ as
(name of agency)
A registration _____ An amendment _____

2. (a) Exact name, principal business address, mailing address, if different, and telephone number of registrant:

Full name of registrant:

IRS Empl. Ident. No.:

Name under which transfer agent activities are conducted, if different:

If name of registrant is hereby amended, state name under which registered previously:

If name under which transfer agent activities are conducted is hereby amended, state name given previously:

Address of principal place of business:

Number and Street City State Zip Code

Mailing Address, if different:

Number and Street City State Zip Code

Telephone Number:

(Area Code) (Telephone Number)

2. (b) Address of Principal Office(s) for Transfer Agent Activities:

Number and Street	City	State	Zip Code
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(c) Name, title, mailing address and telephone number of person in charge of registrant's transfer agent activities:

Name	Title
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Number and Street	City	State	Zip Code
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Telephone Number:

(Area Code)	(Telephone Number)
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3. Registrant agrees and consents that the notice of any proceeding under the Act involving registrant may be given by sending such notice by registered or certified mail or confirmed telegram to the person named, at the address given, in response to item 2(c).

4. (a) If registrant is a corporation or a national association:

Date and jurisdiction of organization:

DATE: _____ JURISDICTION: _____

(b) If registrant is not a corporation or a national association, describe on Schedule A the form of organization under which registrant conducts its business and identify the jurisdiction in which registrant is organized.

5. Does registrant have any arrangement with any person under which, with regard to registrant's transfer agent activities, such other person processes, keeps or maintains any records or accounts of registrant or issuers relating to transfer agent services?

_____ Yes _____ No

If the answer is "yes," furnish on Schedule A, as to each such arrangement, the full name and principal business address of the other person and a brief summary of each such arrangement. As used in this question, the term "person" includes any individual, corporation, partnership, association, joint stock company, business trust, unincorporated organization, or any other entity.

6. List issues serviced as transfer agent, co-transfer agent, registrar or co-registrar, as the terms are commonly used in the transfer agent industry. For each issue provide the following information:

<u>Name of Issue</u>	<u>CUSIP Number</u>	<u>Issuer</u>	Indicate capacity or capacities in which registrant acts for issue (transfer agent, co-transfer agent, registrar, co-registrar)	Identity of co-transfer agents, co-registrars or, if registrant is a co-transfer agent or co-registrar, of principal transfer agent or registrar
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7. Check below types of business activities engaged in by registrant:

- (a) Countersigning securities upon issuance _____
- (b) Monitoring the issuance of securities with a view to preventing unauthorized issuance, a function commonly performed by a person called a registrar _____
- (c) Registering the transfer of securities _____
- (d) Exchanging or converting securities _____
- (e) Transferring record ownership of securities by bookkeeping entry without physical issuance of securities certificates _____
- (f) Activities related to transfer agent functions:
 - (1) Acting as dividend disbursing agent or paying agent _____
 - (2) Effecting dividend reinvestment _____
 - (3) Processing stock subscriptions _____
 - (4) Mailing of stockholders notices, proxies and other materials _____
 - (5) Other activities (give details on Schedule A) _____

8. (a) With regard to transfer agent activities, please provide the following information regarding the type of insurance carried:

<u>Type of Insurance</u>			<u>Amount of Coverage</u>	<u>Amount of Deductible</u>
	<u>Yes</u>	<u>No</u>		
1. Blanket Bond	___	___	\$ _____	\$ _____
2. Fidelity	___	___	_____	_____
3. Errors and Omissions	___	___	_____	_____
4. Mail Policy	___	___	_____	_____
5. Air Courier	___	___	_____	_____
6. Lost Instrument	___	___	_____	_____
7. Other (please specify on Schedule A)	___	___	_____	_____

(b) If registrant's transfer agent activities are not covered by insurance, has provision been made for self-insurance? Yes ___ No ___ If yes, indicate on Schedule A the provisions made for self-insurance (e.g., accounting reserve or funded reserve) and the amount thereof.

9. If registrant is not a bank insured by the Federal Deposit Insurance Corporation, please answer items (a) and (b) below:

(a) Are the registrant's transfer agent activities subject to regulation by a state or political subdivision? (If yes, specify name of agency).

___ Yes ___ No

Name of State or Political Subdivision

Name of Agency

(b) Have the registrant's transfer agent activities been the subject of periodic examinations by an agency of a state or political subdivision? (If yes, specify name of agency.)

___ Yes ___ No

Name of State or Political Subdivision

Name of Agency

10. (a) Is registrant audited by an independent public accountant?

___ Yes ___ No

(b) If audited, does the audit include a review of internal controls related to transfer agent activities?

___ Yes ___ No

(c) Fiscal year of registrant _____.

11. (a) What are registrant's internal policies and procedures for reconciling differences in its transfer agent operations? (Please describe on Schedule A).
- (b) What is registrant's normal period for reconciling differences in its transfer agent operations?
- (c) As of September 30, 1975, did registrant have any differences beyond its normal period for reconciling differences in its transfer agent operations?
- ___ Yes ___ No
- (d) If answer to (c) is "yes", indicate as of September 30, 1975, the number of issues out of proof beyond the registrant's normal period for reconciling differences and, for each issue, the number and market value of the shares by which the issue is out of proof.

12. (a) How many employees does registrant have engaged in transfer agent activities?

(b) How many years has registrant performed transfer agent activities?

(c) Indicate the average monthly number of certificates issued during each of the following calendar quarters:

<u>Period</u>	<u>Average Monthly Number of Certificates Issued</u>
1. October 1, 1974 - December 31, 1974	
2. January 1, 1975 - March 31, 1975	
3. April 1, 1975 - June 30, 1975	
4. July 1, 1974 - September 30, 1975	

(d) Does registrant act as a transfer agent solely for its own securities?

___ Yes ___ No

(e) Does registrant act as a transfer agent solely for securities of a person, as defined in item 5 of FORM TA-1, that controls, or is controlled by, or is under common control with, the registrant?

___ Yes ___ No

13. EXECUTION: The Registrant submitting this Form, its Schedules and its attachments and the person by whom it is executed represent hereby that all information contained herein is true, current and complete. It is understood that all required items, Schedules and attachments are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, Schedules and attachments remain true, current and complete as previously submitted.

Dated the _____ day of _____ 19__

(Name of Transfer Agent)

(Manual signature of Principal Officer or duly
authorized Principal)

(Title)

ATTENTION-Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78ff (a))

SCHEDULE A OF FORM TA-1

1. Full name of Registrant exactly as stated in Item 2(a) of Form TA-1.

2. Item of Form (Identify)	Answer
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