



FEDERAL RESERVE BANK OF DALLAS
Station K, Dallas, Texas 75222

Circular No. 84-25
February 14, 1984

TO: All member banks, bank holding companies, edge and agreement corporations, and others concerned in the Eleventh Federal Reserve District

ATTENTION: Chief Executive Officer

SUBJECT: Amendments to Regulation K -- International Banking Operations

SUMMARY: The Board of Governors of the Federal Reserve System has issued final amendments, in slip sheet form, to Regulation K. Notice of the adoption of these amendments was announced earlier in Circular No. 84-16 dated January 30, 1984. The new slip sheet should be inserted in Volume 2 of your Regulations Binder.

ATTACHMENTS: Slip sheet

MORE INFORMATION: Legal Department,
Extension 6228

ADDITIONAL COPIES: Public Affairs Department,
Extension 6289

Amendments to Regulation K International Banking Operations January 1984*

1. *Effective December 20, 1983, section 211.5(d) is amended by redesignating paragraph (14) as paragraph (15) and adding a new paragraph (14) to read as follows:*

(d) * * *

(14) the operation of a travel agency provided that the travel agency is operated in connection with financial services offered abroad by the investor or others;

2. *Section 211.22(c)(2) is corrected by changing the word "required" to "acquired".*

3. *Effective December 20, 1983, section 211.34 is amended by revising paragraph (a)(2) to read as follows and by adding a new paragraph (c):*

(a) * * *

* A complete Regulation K, as amended effective December 20, 1983, consists of—
• the pamphlet dated August 1983 (see inside cover) and
• this slip sheet.

(1) * * *

(2) *Subsequent notice.* An eligible investor shall give the Board 60 days' prior written notice of changes in the activities of an export trading company that is a subsidiary of the investor if the export trading company expands its activities beyond those described in the initial notice to include: (i) taking title to goods where the export trading company does not have a firm order for the sale of those goods; (ii) product research and design; (iii) product modification; or (iv) activities not specifically covered by the list of activities contained in section 4(c)(14)(F)(ii) of the BHC Act. Such an expansion of activities shall be regarded as a proposed investment under this subpart.

(b) * * *

(c) *Time period for investment.* An investment in an export trading company that has not been disapproved shall be made within one year from the date of the notice not to disapprove, unless the time period is extended by the Board or by the appropriate Federal Reserve Bank.