



FEDERAL RESERVE BANK
OF DALLAS

ROBERT D. McTEER, JR.
PRESIDENT
AND CHIEF EXECUTIVE OFFICER

August 4, 1994

DALLAS, TEXAS
75265-5906

Notice 94-78

TO: The Chief Executive Officer of each
member bank and others concerned in
the Eleventh Federal Reserve District

SUBJECT

**Technical Amendments and Corrections to
Regulation O (Loans to Executive Officers,
Directors, and Principal Shareholders
of Member Banks)**

DETAILS

The Board of Governors of the Federal Reserve System has issued technical amendments and corrections to Regulation O (Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks), which was published on February 24, 1994. The regulation sets forth various requirements and restriction on loans by a member bank to its insiders and to insiders of its affiliates. The amendments and corrections became effective July 19, 1994.

ATTACHMENT

A copy of the Board's notice (Federal Reserve System Docket Nos. R-0800 and R-0809) is attached.

MORE INFORMATION

For more information, please contact Jane Anne Schmoker at (214) 922-5101. For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 922-5254.

Sincerely yours,

Robert D. McTeer, Jr.

FEDERAL RESERVE SYSTEM

12 CFR Part 215

[Regulation O; Docket Nos. R-0800 and R-0809]

Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks; Loans to Holding Companies and Affiliates; Correction

AGENCY: Board of Governors of the Federal Reserve System

ACTION: Corrections to final regulation.

SUMMARY: This document contains technical corrections to the final regulation (12 CFR Part 215) that was published February 24, 1994 (59 FR 8831). The regulation sets forth various requirements and restriction on loans by a member bank to its insiders and to insiders of its affiliates.

EFFECTIVE DATE: July 19, 1994.

FOR FURTHER INFORMATION CONTACT: Gordon Miller, Attorney (202/452-2534), Legal Division, Board of Governors of the Federal Reserve System, 20th and C Street, NW., Washington, D.C. 20551. For the hearing impaired only, Telecommunications for the Deaf (TDD), Dorothea Thompson (202/452-3544).

SUPPLEMENTARY INFORMATION:

Background

The final regulation that is the subject of these corrections makes permanent an interim rule increasing the aggregate lending limit for small, adequately capitalized banks from 100 percent of unimpaired capital and surplus to 200 percent. The final regulation also reduces the burden and complexity of the regulation and implements certain technical

amendments in order to make it more readily understandable and somewhat shorter.

Correction of Publication

As published, the final regulation contains certain errors. Accordingly, the publication on February 24, 1994, of the final regulation, which was the subject of FR Doc. 94-3860, is corrected as follows:

§ 215.2 [corrected]

1. On page 8838, in the first column, in paragraph (c)(4), the phrase "paragraph (b)(2) of this section" is corrected to read "paragraph (c)(2) of this section".

2. On page 8838, in the first column, in paragraph (d), in the first sentence, the phrase "Director of a member bank means any director of a member bank" is corrected to read "Director of a company or bank means any director of the company or bank".

§ 215.3 [corrected]

3. On page 8839, in the first column, in paragraph (b)(2), the word "§ 215(4)(e)" is corrected to read "§ 215.4(e)".

§ 215.4 [corrected]

4. On page 8840, in the second column, in paragraph (e)(1), the phrase "No member bank may pay an overdraft of an executive officer or director of the bank" is corrected to read "No member bank may pay an overdraft of an executive officer or director of the bank or executive officer or director of its affiliates", and the footnote immediately following the original phrase is corrected to immediately follow the corrected phrase.

5. On page 8840, in the second column, in paragraph (e)(1), in footnote 3, in the second sentence, the phrase "executive officer, director, or

principal shareholder of the member bank" is corrected to read "executive officer, director, or principal shareholder of the member bank or executive officer, director, or principal shareholder of its affiliates".

§ 215.5 [corrected]

6. On page 8840, in the third column, in paragraph (b)(2), the phrase "paragraph (c)(3) of this section" is corrected each time it appears to read "paragraph (c)(4) of this section".

7. On page 8841, in the first column, in paragraph (c)(4), the phrase "capital and unimpaired surplus" is corrected to read "unimpaired capital and unimpaired surplus".

§ 215.11 [corrected]

8. On page 8842, in the first column, in paragraph (b)(1), in the first sentence, the word "of" as it appears before the word "\$500,000" is corrected to read "or".

Board of Governors of the Federal Reserve System, July 19,
1994.

(Signed) William W. Wiles



William W. Wiles
Secretary of the Board
[FR Doc. 94-00000 Filed 00-00-94; 8:45 am]