

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. **10727**]
August 12, 1994]

**SECURITIES UNDERWRITING ACTIVITIES BY SECTION 20
SUBSIDIARIES OF BANK HOLDING COMPANIES**

**Extension of Comment Period on Proposed Alternative Methods to Measure
Compliance With the "Engaged Principally" Test of Section 20 of the
Glass-Steagall Act**

Comments Requested by September 9, 1994

*To All Bank Holding Companies, Branches
and Agencies of Foreign Banks, and Others
Concerned, in the Second Federal Reserve District:*

The following statement has been issued by the Board of Governors of the Federal Reserve System:

The Federal Reserve Board has extended for 30 days its comment period on a proposal to provide an alternative to the current test used to measure whether a section 20 subsidiary is in compliance with the "engaged principally" criterion of section 20 of the Glass-Steagall Act.

The public now has until September 9, 1994, to submit comments on this proposal. Comments should refer to Docket Number R-0841. (59 *Federal Register* 35,516, July 12, 1994.)

The text of the proposal, which was published in the *Federal Register* of July 12, was sent to you with our Circular No. 10723, dated July 20, 1994. Comments may now be submitted until September 9, 1994, and may be sent to the Board of Governors, as specified in the notice, or to our Banking Applications Department.

WILLIAM J. McDONOUGH,
President.