

community development activities, pursuant to § 225.25(b)(6) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, January 4, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-525 Filed 1-9-95; 8:45 am]

BILLING CODE 6210-01-F

Norwest Corporation, et al.; Acquisitions of Companies Engaged in Permissible Nonbanking Activities

The organizations listed in this notice have applied under § 225.23(a)(2) or (f) of the Board's Regulation Y (12 CFR 225.23(a)(2) or (f)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to acquire or control voting securities or assets of a company engaged in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated for the application or the offices of the Board of Governors not later than January 24, 1995.

A. Federal Reserve Bank of Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. Norwest Corporation, Minneapolis, Minnesota; to acquire through its subsidiary Norwest Mortgage, Inc., Des Moines, Iowa, the mortgage servicing rights of Montana Bank, N.A., Billings, Montana, and Bank of Montana, N.A., Great Falls, Montana, and thereby engage in mortgage servicing, pursuant to § 225.25(b)(1) of the Board's Regulation Y.

2. Otto Bremer Foundation, St. Paul, Minnesota, and Bremer Financial Corporation, St. Paul, Minnesota; to acquire Morris State Agency, Morris, Minnesota, and thereby engage through its subsidiary, First American Insurance Agencies, Inc. St. Paul, Minnesota, in insurance agency activities through the purchase of assets and the assumption of liabilities, pursuant to § 225.25(b)(8)(vii) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, January 4, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-527 Filed 1-9-95; 8:45 am]

BILLING CODE 6210-01-F

Union Bank of Switzerland, Zurich, Switzerland; Application to engage in Investment Advisory Activities

Union Bank of Switzerland, Zurich, Switzerland ("Applicant"), has applied pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) ("BHC Act") and § 225.23(a)(3) of the Board's Regulation Y (12 C.F.R. 225.23(a)(3)), through UBS Asset Management (New York) Inc., New York, New York ("Company"), to acquire Timberland Resources, Inc., West Lebanon, New Hampshire, and to engage in providing investment advisory services with respect to timberland investments, including:

- (1) Identifying and evaluating investment opportunities relating to timber, forest resources and forest products, including reviewing and evaluating economic factors affecting demand and prices for forest products, the quality of timberland and forest product companies available for investment, the inventory of trees, and prospects for productive growth;
- (2) Monitoring timber markets, including economic analysis of various timber species and growing areas, analysis of pricing trends, and identification of developing markets for timber and other forestry products;
- (3) Advising on the structuring of particular investment transactions and the manner in which investment

vehicles should be organized and capitalized;

- (4) Providing advice with respect to the acquisition and disposition of particular investment properties, the financing of such properties, and the terms of particular acquisitions, dispositions and financings;
- (5) Identifying and recommending third-party providers of services, such as foresters, tract managers, consultants, appraisers and independent auditors;
- (6) Evaluating strategic, capital and operating plans for particular investments, including plans for planting, growing, cultivating, cutting, insuring and harvesting of particular properties in light of relevant economic projections, and advising with respect to such matters;
- (7) Monitoring the performance of individual properties, including overseeing periodic valuations and appraisals of particular properties; and
- (8) Providing investment reports to investors. Company's customers would include investment partnerships that exclusively invest in timber and forest resources. The proposed services would be provided throughout the world.

Section 4(c)(8) of the BHC Act provides that a bank holding company may, with Board approval, engage in any activity which the Board, after due notice and opportunity for hearing, has determined (by order or regulation) to be so closely related to banking or managing or controlling banks as to be a proper incident thereto. This statutory test requires that two separate tests be met for an activity to be permissible for a bank holding company. First, the Board must determine that the activity is, as a general matter, closely related to banking. Second, the Board must find in a particular case that the performance of the activity by the applicant bank holding company may reasonably be expected to produce public benefits that outweigh possible adverse effects.

Applicant maintains that the Board previously has determined that the proposed investment advisory services are closely related to banking. See 12 CFR 225.25 (b)(4)(iii) & (iv); *Southeast Banking Corporation*, 69 Federal Reserve Bulletin 564 (1983); *Standard and Chartered Bank PLC*, 71 Federal Reserve Bulletin 470 (1985). Applicant also maintains that consummation of this proposal would provide added convenience to Applicant's customers, and would not decrease competition or result in any other possible adverse effects.

In publishing the proposal for comment, the Board does not take a