

policy does not apply to trade letters of credit or letters of credit issued for any other purpose.

After its appointment as conservator or receiver of any insured depository institution, the FDIC may either (1) continue any collateralized letters of credit as enforceable under the terms of the contract during the pendency of the conservatorship or receivership or (2) call, redeem or prepay any collateralized letters of credit by repudiation or disaffirmance.

If the FDIC as conservator or receiver exercises its right to call, redeem or prepay any collateralized letters of credit by repudiation or disaffirmance, it may do so either directly by cash payment in exchange for the release of the collateral or by repudiation of the contract followed by liquidation of the collateral by a trustee or other secured party. If the FDIC in its capacity as conservator or receiver accelerates the collateralized letters of credit by repudiation or disaffirmance, payment will be made to the extent of available collateral up to an amount equal to the outstanding principal amount or accreted value of the secured obligations, together with interest at the contract rate up to and including the date of payment and expenses of liquidation, if provided in the contract. If any collateral or proceeds remain after payment of such amounts, such collateral or proceeds then must be remitted or returned to the conservator or receiver as property of the institution or its estate, or to a bona fide junior lienholder to the extent applicable. If, however, the collateral securing the contract is insufficient to pay in full the amounts owing under the contract, the holder will receive a receivership certificate for any balance remaining due under the contract.

The FDIC shall have a reasonable time, generally no more than 180 days from the date of the appointment of the FDIC as conservator or receiver, to elect whether to disaffirm, repudiate, or accelerate a collateralized letter of credit. In the case of institutions for which the FDIC already has been so appointed, the period in which to make such an election shall begin to run as of the date of the adoption of this Policy and continue for 180 days.

This Policy Statement does not change or amend the FDIC's longstanding position that standby letters of credit are contingent obligations. Based on its consideration and balancing of the policy issues presented, however, the FDIC has adopted this statement of policy for collateralized letters of credit initially issued prior to August 9, 1989, and any

subsequent renewal, replacement or extension of such letters of credit. It is understood that the persons involved in such secured transactions with insured depository institutions may reasonably rely upon this Policy Statement.

Dated at Washington, D.C., this 18th day of May, 1995.

By order of the Board of Directors.
Federal Deposit Insurance Corporation.

Robert E. Feldman,

Acting Executive Secretary.

[FR Doc. 95-12992 Filed 5-25-95; 8:45 am]

BILLING CODE 6714-01-M

FEDERAL RESERVE SYSTEM

Union Planters Corporation, et al.; Formations of; Acquisitions by; and Mergers of Bank Holding Companies

The companies listed in this notice have applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.14) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

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 to the Reserve Bank or to the offices of the Board of Governors. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Unless otherwise noted, comments regarding each of these applications must be received not later than June 19, 1995.

A. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63166:

1. Union Planters Corporation, Memphis, Tennessee; to acquire 100 percent of the voting shares of Union Planters Bank of Central Mississippi, Jackson, Mississippi, a *de novo* bank, and to acquire 100 percent of the voting shares of Union Planters Bank of Southern Mississippi, Hattiesburg, Mississippi, a *de novo* bank.

B. Federal Reserve Bank of Dallas (Genie D. Short, Vice President) 2200

North Pearl Street, Dallas, Texas 75201-2272:

1. Andrews Bancshares, Inc., Andrews, Texas; to become a bank holding company by acquiring 100 percent of the voting shares of Andrews Delaware Financial Corporation, Dover, Delaware, and thereby indirectly acquire National Bank of Andrews, Andrews, Texas.

In connection with this application, Andrews Delaware Financial Corporation, Dover, Delaware; has also applied to become a bank holding company by acquiring 100 percent of the voting shares of National Bank of Andrews, Andrews, Texas.

Board of Governors of the Federal Reserve System, May 22, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-12976 Filed 05-25-95; 8:45 am]

BILLING CODE 6210-01-F

Farmers & Merchants Bank Employee Stock Ownership Plan; Change in Bank Control Notices; Acquisitions of Shares of Banks or Bank Holding Companies; Correction

This notice corrects a notice (FR Doc. 95-11754) published on page 25723 of the issue for Friday, May 12, 1995.

Under the Federal Reserve Bank of Atlanta heading, the entry for Farmers & Merchants Bank Employee Stock Ownership Plan, is revised to read as follows:

1. Farmers & Merchants Bank Employee Stock Ownership Plan, Forest, Mississippi; to acquire Bankers Capital Corporation, Forest, Mississippi, and thereby engage in making, acquiring or servicing loans or other extensions of credit, pursuant to § 225.25(b)(1) of the Board's Regulation Y. The proposed activity will be conducted throughout the United States.

Comments on this application must be received by May 26, 1995.

Board of Governors of the Federal Reserve System, May 22, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-11754 Filed 5-11-95; 8:45 am]

BILLING CODE 6210-01-F

Michael J. Corliss; Change in Bank Control Notice

Acquisition of Shares of Banks or Bank Holding Companies

The notificant listed below has applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12