

how the party commenting would be aggrieved by approval of the proposal.

Comments regarding this application must be received not later than January 2, 1996.

A. Federal Reserve Bank of Richmond (Lloyd W. Bostian, Jr., Senior Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. *Carolina First Corporation*, Greenville, South Carolina; to acquire Blue Ridge Finance Company, Inc., Greenville, South Carolina, and thereby indirectly engage in purchasing sub-prime automobile chattel receivables from automobile dealers, the subsequent servicing of such receivables, and other activities related to such receivables and their associated servicing (such as the foreclosed activities), pursuant to § 225.25(b)(1)(i) of the Board's Regulation Y; in making, acquiring, and servicing loans or other extensions of credit in a manner typical of finance companies (including direct auto lending) and other activities typically associated with consumer finance operations, pursuant to § 225.25(b)(1)(i) of the Board's Regulation Y; and in acting as agent or broker for insurance directly related to an extension of credit by a finance company, pursuant to § 225.25(b)(8)(ii) of the Board's Regulation Y. Comments on this application must be received by December 29, 1995.

B. Federal Reserve Bank of Kansas City (John E. Yorke, Senior Vice President) 925 Grand Avenue, Kansas City, Missouri 64198:

1. *Swanton Agency, Inc.*, Swanton, Nebraska; to acquire Plymouth Investment Company, Plymouth, Nebraska, and thereby engage in the sale of general insurance in a town of less than 3,000, pursuant to § 225.25(b)(8)(iii)(A) of the Board's Regulation Y. This activity will be conducted in Plymouth, Nebraska.

Board of Governors of the Federal Reserve System, December 12, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-30724 Filed 12-18-95; 8:45 am]

BILLING CODE 6210-01-F

Citi-Bancshares, Inc., 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 January 12, 1996.

A. Federal Reserve Bank of Atlanta (Zane R. Kelley, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303:

1. *Citi-Bancshares, Inc.*, Leesburg, Florida; to merge with Citizens First Bancshares, Inc., Ocala, Florida, and thereby indirectly acquire Citizens First Bank of Ocala, Ocala, Florida.

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

1. *Beulah Bancorporation, Inc.*, Sioux Falls, South Dakota; to acquire 94.04 percent of the voting shares of Fairview Bank, Fairview, Montana.

Board of Governors of the Federal Reserve System, December 13, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-30727 Filed 12-18-95; 8:45 am]

BILLING CODE 6210-01-F

First National Bank Employee Stock Ownership Plan, et al.; Change in Bank Control Notices; Acquisitions of Shares of Banks or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. Once the notices have been accepted for processing, they 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 indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than January 2, 1996.

A. Federal Reserve Bank of Dallas (Genie D. Short, Vice President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. *First National Bank Employee Stock Ownership Plan*, San Benito, Texas; to acquire an additional 4.28 percent, for a total to 14.27 percent, of the voting shares of First San Benito Bancshares, Inc., San Benito, Texas, and thereby indirectly acquire First National Bank, San Benito, Texas.

2. *Joe E. Sharp*, Dallas, Texas; to acquire an additional 16.39 percent, for a total of 25.11 percent, of the voting shares of First Baird Bancshares, Inc., Baird, Texas, and thereby indirectly acquire First National Bank, Baird, Texas, and First National Bank, Weatherford, Texas.

Board of Governors of the Federal Reserve System, December 12, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95-30723 Filed 12-18-95; 8:45 am]

BILLING CODE 6210-01-F

First American Corporation; Application to Engage in Nonbanking Activities;

First American Corporation, Nashville, Tennessee (Applicant), has given notice 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 CFR 225.23(a)(3)) of its intention to engage *de novo* through its indirect subsidiary, The SSI Group, Inc., Mobile, Alabama (Company),¹ in processing and transmitting medical payment data between health care providers (Providers) and insurance companies and other entities responsible for providing medical benefits (Payers). Providers would enter claims information (such as patient identification, coverage eligibility, and a description of the medical services provided) into Company's medical claims network, and Company would

¹ Applicant proposes to acquire 49.25 percent of the voting shares of Company from Southern Medical Health Systems, Inc., Mobile, Alabama (≥Co-Venturer), which would retain 49 percent of the voting shares. Co-Venturer's sole shareholder would retain an additional 1.75 percent of the voting shares. Applicant also would acquire an option to purchase up to an additional 17.75 percent of the voting shares from Co-Venturer.

transmit claims information to the proper Payers and transmit Payers' coverage decisions to Providers for posting on Providers' books as accounts receivable. In addition, Company would arrange for electronic funds transfers from Payers to Providers through an affiliate, First American National Bank, Nashville, Tennessee (Bank), offer medical service credit cards, issued by Bank, to Providers' patients to be used to pay for all medical expenses not covered by Payers, and operate a collection agency for Providers to collect past-due accounts. Company also would perform general data processing services, including maintaining medical records and scheduling the provision of medical services, for Springhill Hospitals, Inc., Mobile, Alabama, which is affiliated with Applicant's co-venturer and would serve as a beta site for the testing and development of data processing and transmission software and facilities offered by Company to Providers. Applicant also proposes that Company would provide electronic storage and retrieval of financial documents and information to insured depository institutions and other financial companies. The scope of Company's activities would be nationwide.

Section 4(c)(8) of the BHC Act provides that a bank holding company may engage in any activity that 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.

A particular activity may be found to meet the "closely related to banking" test if it is demonstrated that banks have generally provided the proposed services, that banks generally provide services that are operationally or functionally similar to the proposed services so as to equip them particularly well to provide the proposed services, or that banks generally provide services that are so integrally related to the proposed services as to require their provision in a specialized form.

National Courier Ass'n v. Board of Governors, 516 F.2d 1229, 1237 (D.C. Cir. 1975). In addition, the Board may

consider any other basis that may demonstrate that the activity has a reasonable or close relationship to banking or managing or controlling banks. Board Statement Regarding Regulation Y, 49 FR 806 (1984).

Applicant states that the Board previously has determined by regulation that providing certain financial, banking, or economic data processing and data transmission services and facilities and providing access to such services and facilities by any technological means are closely related to banking for purposes of section 4(c)(8) of the BHC Act. See 12 CFR 225.25(b)(7). Applicant maintains that the transmission of claims from providers to payers and the payers' responses to such claims constitutes the transmission of financial data.

Applicant also contends that, to the extent the proposed activities involve transmitting nonfinancial data (such as patient identification, coverage eligibility, and a description of the medical services provided), a bank holding company may engage in these activities as incidental to the transmitting of Providers' requests for payment. See *Banc One Corporation*, 80 Federal Reserve Bulletin 139 (1994). Applicant contends that Providers' requests for payment and Payers' remittance decisions on those requests are financial data, even in the absence of an actual transfer of funds. See *Citicorp*, 72 Federal Reserve Bulletin 497 (1986).

Applicant states that the Board previously has determined by regulation that operating a collection agency for overdue accounts receivable, either retail or commercial, is closely related to banking for purposes of section 4(c)(8) of the BHC Act, provided the collection agency does not obtain the names of customers of competing collection agencies from an affiliated depository institution that maintains trust accounts for those agencies and does not provide preferential treatment to an affiliate or customers of an affiliate seeking collection of an outstanding debt. See 12 CFR 225.25(b)(23). Applicant states that its proposed collection agency activities would solely be for overdue accounts as required by the Board's regulation.

In order to approve the proposal, the Board also must determine that the proposed activities to be engaged in by Company are a proper incident to banking that "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." 12 U.S.C. 1843(c)(8). Applicant contends that its proposal would produce public benefits, including gains in efficiency, that outweigh any potential adverse effects.

In publishing the proposal for comment, the Board does not take a position on issues raised by the proposal. Notice of the proposal is published solely to seek the views of interested persons on the issues presented by the notice and does not represent a determination by the Board that the proposal meets, or is likely to meet, the standards of the BHC Act.

Any comments or requests for hearing should be submitted in writing to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than January 2, 1996. Any request for a hearing on this notice must, as required by § 262.3(e) of the Board's Rules of Procedure (12 CFR 262.3(e)), be accompanied by a statement of reasons why 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.

This application may be inspected at the offices of the Board of Governors or the Federal Reserve Bank of Atlanta.

Board of Governors of the Federal Reserve System, December 12, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

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Middlefork Financial Group, Inc., 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