

proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 8, 1998.

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. *Amtrust, Inc.*, Dubuque, Iowa; to acquire up to 100 percent of the voting shares of Cuba City State Bank, Cuba City, Wisconsin.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *Guaranty Capital Corporation*, Belzoni, Mississippi; to merge with Hollandale Capital Corporation, Hollandale, Mississippi, and thereby acquire Bank of Hollandale, Hollandale, Mississippi.

C. Federal Reserve Bank of Minneapolis (Karen L. Grandstrand, Vice President) 90 Hennepin Avenue, P.O. Box 291, Minneapolis, Minnesota 55480-0291:

1. *Norwest Corporation*, Minneapolis, Minnesota; to acquire 100 percent of the voting shares of Mountain Bancshares, Inc., Newport, Minnesota, and thereby indirectly acquire Mountain Bank, Eagle, Colorado.

Board of Governors of the Federal Reserve System, April 8, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

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FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation

Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated.

The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than April 28, 1998.

A. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Southeast Capital Corp.*, Idabel, Oklahoma; to engage *de novo* in community development activities through the leasing of real property to the State of Oklahoma, pursuant to § 225.28(b)(12)(i) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, April 8, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

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FEDERAL RESERVE SYSTEM

[Docket No. R-0866]

Federal Reserve Bank Services

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice.

SUMMARY: The Board has decided to not implement an earlier opening time for the Fedwire securities transfer service at this time due to the anticipated cost and technical hurdles identified by various industry participants and concerns expressed by the Treasury. These concerns may decline in the future as participants improve their internal operating environments (e.g., by implementing real-time and straight-through processing and better contingency availability) and gain experience with expanded Fedwire funds transfer operating hours. The Board will monitor developments associated with expanded Fedwire funds transfer hours as well as developments in U.S. government securities settlement practices and, if

market demand for transferring government securities earlier in the day increases or the related cost or operational burden declines materially, the Board, in consultation with the Treasury, will reconsider the desirability of opening the Fedwire securities transfer service earlier in the day.

The Board also has approved the introduction of an optional automatic reversal feature for institutions that access the National Book-Entry System via a Fedline connection. The Board believes that the availability of automated receiver control features in the National Book-Entry System would provide these participants with additional flexibility to manage the receipt of misdirected or incorrect securities transfers and any associated debits to their account holding reserve or clearing balances. This feature likely will be made available to Fedline participants during 2000. Once an implementation schedule is finalized, the Reserve Banks will notify depository institutions regarding the specific date that the receiver control feature will be available to Fedline participants.

FOR FURTHER INFORMATION CONTACT:

Louise L. Roseman, Associate Director (202/452-2789), Jeff Stehm, Manager (202/452-2217), or Lisa Hoskins, Project Leader (202/452-3437), Division of Reserve Bank Operations and Payment Systems, Board of Governors of the Federal Reserve System. For the hearing impaired *only*: Telecommunications Device for the Deaf, Diane Jenkins (202/452-3544).

SUPPLEMENTARY INFORMATION:

I. Background

In February 1994, the Board announced approval of an expansion of the operating hours for the Fedwire online funds transfer service to 18 hours a day, from 12:30 a.m. to 6:30 p.m. Eastern Time, beginning in 1997 (59 FR 8981, February 24, 1994; 60 FR 110, January 3, 1995).^{1, 2} In that announcement, the Board concluded that expanded Fedwire funds transfer operating hours could be a useful component of private-sector initiatives to reduce settlement risk in the foreign exchange markets and would eliminate an operational barrier to potentially important innovation in privately provided payment and settlement services.

Following its action on expanding Fedwire funds transfer operating hours,

¹ All times are Eastern Time unless otherwise noted.

² These operating hours became effective on December 8, 1997. (61 FR 5433, November 6, 1996).