agreement(s) under the Shipping Act of 1984.

Interested parties can review or obtain copies of agreements at the Washington, DC offices of the Commission, 800 North Capitol Street, NW, Room 962. Interested parties may submit comments on an agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days of the date this notice appears in the **Federal Register**.

Agreement No.: 232–011648

Title: APL/Crowley/Ivaran/MLL Space Charter and Sailing Agreement

Parties:

American President Lines, Ltd.
APL Co. PTE Ltd.
Crowley American Transport, Inc.
Ivaran Lines Limited Mexican Lines Limited
Transportacion Maritima Grancolombiana, S.A.

Synopsis: The proposed agreement authorizes the parties to discuss and agree upon the vessels to be operated in the trades between the United States Gulf Coast and the Caribbean and the east coast of South America, to charter vessel space to and from one another, and to engage in related cooperative activities. The parties have requested expedited review.

By Order of the Federal Maritime Commission.

Dated: January 13, 1999.

Bryant L. VanBrakle,

Secretary.

[FR Doc. 99–1192 Filed 1–19–99; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, D.C. 20573.

Container Port Services, Inc., 8201 La Porte Freeway, Suite 111, Houston, TX 77012, Officers: Robert W. Lee, President, Russell K. Lee, Vice President

E & M International L.L.C., 5304 West 135th Street, Hawthorne, CA 90250, Marion Krocos, Evelyn Jones, Partnership

Dated: January 13, 1999.

Bryant L. VanBrakle,

Secretary.

[FR Doc. 99–1191 Filed 1–19–99; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11:00 a.m., Monday, January 25, 1999.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, NW., Washington, DC 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Lynn S. Fox, Assistant to the Board; 202–452–3204.

SUPPLEMENTARY INFORMATION: You may call 202–452–3206 beginning at approximately 5 p.m. two business days before the meeting for a recorded announcement of bank and bank holding company applications scheduled for the meeting; or you may contact the Board's Web site at http://federalreserve.gov for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: January 15, 1999.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 99–1380 Filed 1–15–99; 3:30 pm]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Differences in Capital and Accounting Standards Among the Federal Banking and Thrift Agencies; Report to Congressional Committees

AGENCY: Board of Governors of the Federal Reserve System (FRB).

ACTION: Notice of report to the Committee on Banking, Housing, and Urban Affairs of the United States Senate and to the Committee on Banking and Financial Services of the United States House of Representatives.

SUMMARY: This report was prepared by the FRB pursuant to section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1831n(c)). Section 121 requires each Federal banking and thrift agency to report annually to the above specified Congressional Committees regarding any differences between the accounting or capital standards used by such agency and the accounting or capital standards used by other banking and thrift agencies. The report must be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Norah Barger, Assistant Director (202/452-2402), Barbara Bouchard, Manager (202/452–3072), Charles Holm, Manager, (202/452–3502), or Ali Emran, Senior Financial Analyst, (202/452–2208), Division of Banking Supervision and Regulation. For the hearing impaired *only*, Telecommunication Device for the Deaf (TDD), Diane Jenkins (202/452–3544), Board of Governors of the Federal Reserve System, 20th & C Street, NW, Washington DC 20551.

SUPPLEMENTARY INFORMATION: The text of the report follows:

Report to the Congressional Committees Regarding Differences in Capital and Accounting Standards Among the Federal Banking and Thrift Agencies

Introduction and Overview

This is the ninth annual report [1] on the differences in capital standards and accounting practices that currently exist among the three banking agencies (the Board of Governors of the Federal Reserve System (FRB), the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC)) and the Office of Thrift Supervision (OTS).[2]

Overview

As stated in the previous reports to Congress, the three bank regulatory agencies have, for a number of years, employed a common regulatory framework that establishes minimum

[1] The first two reports prepared by the FRB were made pursuant to section 1215 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). The subsequent reports were made pursuant to section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), which superseded section 1215 of FIRREA.

[2] At the federal level, the Federal Reserve has primary supervisory responsibility for state-chartered banks that are members of the Federal Reserve System, as well as for all bank holding companies and certain operations of foreign banking organizations. The FDIC has primary responsibility for state nonmember banks and FDIC-supervised savings banks. National banks are supervised by the OCC. The OTS has primary responsibility for savings and loan associations.

capital adequacy ratios for commercial banking organizations. In 1989, all three banking agencies and the OTS adopted risk-based capital frameworks that were based upon the international capital accord (Basle Accord) developed by the Basle Committee on Banking Regulations and Supervisory Practices (Basle Supervisors Committee) and endorsed by the central bank governors of the G–10 countries.

The risk-based capital framework establishes minimum ratios of capital to risk-weighted assets. The Basle Accord requires banking organizations to have total capital (Tier 1 plus Tier 2) equal to at least 8 percent, and Tier 1 capital equal to at least 4 percent, of risk-weighted assets. Tier 1 capital includes common stock and surplus, retained earnings, qualifying perpetual preferred stock and surplus, and minority interest in consolidated subsidiaries, less disallowed intangibles such as goodwill. Tier 2 capital includes certain supplementary capital items such as general loan loss reserves, subordinated debt, and certain other preferred stock and convertible debt capital instruments, subject to appropriate limitations and conditions. The amount of Tier 2 includable in total regulatory capital is limited to 100 percent of Tier 1. In addition, institutions that incorporate market risk exposure into their risk-based capital requirements may use ''Tier 3'' capital (i.e., short-term subordinated debt with certain restrictions on repayment provisions) to support their exposure to market risk. Tier 3 capital is limited to approximately 70 percent of an institution's measure for market risk. Risk-weighted assets are calculated by assigning risk weights of zero, 20, 50, and 100 percent to broad categories of assets and off-balance sheet items based upon their relative credit risk. The OTS has adopted a risk-based capital standard that in most respects is similar to the framework adopted by the banking agencies. Differences between the OTS capital rules and those of the banking agencies are noted elsewhere in this report.

The measurement of capital adequacy in the present framework is mainly directed toward assessing capital in relation to credit risk. In December 1995, the G–10 Governors endorsed an amendment to the Basle Accord that, in January 1998, required internationally-active banks to measure and hold capital to support their market risk exposure. Specifically, certain banks are required to hold capital against their exposure to general market risk associated with changes in interest rates, equity prices, exchange rates, and commodity prices, as well as for exposure to specific risk associated with equity positions and certain debt positions in the trading portfolio. The FRB, FDIC, and OCC issued in August 1996 amendments to their respective risk-based capital standards that implemented the market risk amendment to the Basle Accord. The banking agencies' amendments generally require institutions with trading assets and liabilities greater than or equal to 10 percent of assets, or trading assets and liabilities greater than or equal to $1 billion, to apply the market risk rules. The OTS did not amend its capital rules in this regard since savings institutions do not have such significant levels of trading activity.

In addition to the risk-based capital requirements, the agencies also have established leverage standards setting forth minimum ratios of capital to total assets. The three banking agencies employ uniform leverage standards, while the OTS has established, pursuant to FIRREA, a somewhat different standard. In October 1997, the agencies issued for public comment a proposal that would eliminate these differences.

All of the agencies view the risk-based capital standards as a minimum supervisory benchmark. In part, this is because the risk-based capital framework focuses primarily on credit risk; it does not take full or explicit account of certain other banking risks, such as exposure to operational risk. The full range of risks to which depository institutions are exposed are reviewed and evaluated carefully during on-site examinations. In view of these risks, most banking organizations are expected to, and generally do, maintain capital levels well above the minimum risk-based and leverage capital requirements.

The staffs of the agencies meet regularly to identify and address differences and inconsistencies in the application of their capital standards. The agencies are committed to continuing this process in an effort to achieve full uniformity in their capital standards. In addition, the agencies have considered the remaining differences as part of a regulatory review undertaken to comply with section 303 of the Riegle Community Development and Regulatory Improvement Act of 1994 (Riegle Act), which specifies that the agencies ''make uniform all regulations and guidelines implementing common statutory or supervisory policies.''

Efforts to Achieve Uniformity

Leverage Capital Ratio

The three banking agencies employ leverage standards based upon the common definition of Tier 1 capital contained in their risk-based capital guidelines. These standards, established in the second half of 1990 and in early 1991, require the most highly-rated institutions to meet a minimum Tier 1 capital leverage ratio of 3.0 percent. For all other institutions, these standards generally require an additional cushion of at least 100 to 200 basis points, i.e., a minimum leverage ratio of at least 4.0 to 5.0 percent, depending upon an organization's financial condition. As required by FIRREA, the OTS has established a 3.0 percent core capital ratio and a 1.5 percent tangible capital leverage ratio requirement for thrift institutions. Certain adjustments discussed in this report apply to the core capital definition used by savings associations.

In October 1997, the agencies issued a proposal to simplify and make uniform their leverage capital standards. Under the proposal, the three banking agencies' rules would require a minimum leverage ratio of 3.0 or 4.0 percent, depending upon a bank's financial condition and the OTS' standards would become more consistent with those of the banking agencies. The agencies are working to develop a rule finalizing the proposal as soon as possible.

Risk-Based Capital Ratio

The agencies worked together on a number of issues in 1998. Part of the agencies' focus was on fulfilling the requirements of section 303 of the Riegle Act, which calls for uniform rules and guidelines. In this regard, the agencies are working to finalize an outstanding proposal that will eliminate interagency differences in the risk-based capital treatment of presold residential properties, junior liens on 1- to 4-family residential properties, and investments in mutual funds.

In addition, the agencies issued two joint final rules in 1998 that amended the agencies' capital standards. The first permitted institutions to include up to 45 percent of unrealized gains on certain equity securities in Tier 2 capital. The second raised the Tier 1 capital limitation for mortgage servicing assets from 50 to 100 percent of Tier 1 capital. The agencies also issued interim guidance on the capital treatment for derivatives to address issues raised by a recent change in accounting standards (Financial Accounting Standard (FAS) No. 133). The agencies continue to work on outstanding matters such as the 1997 recourse proposal and the 1996 proposal on collateralized transactions.

Construction Loans on Presold Residential Property

The agencies all assign a qualifying loan to a builder to finance the construction of a presold 1- to 4-family residential property to the 50 percent risk category, provided certain conditions are satisfied. The FRB and the FDIC permit a 50 percent risk weight once the residential property is sold, whether the sale occurs before or after the construction loan has been made. The OCC and the OTS permit the 50 percent risk weight only if the property is sold to the prospective property resident before the extension of credit to the builder.

The agencies are working on a final rule that would adopt the FRB's and FDIC's capital treatment of such loans.

Junior Liens on 1- to 4-Family Residential Properties

In some cases, a banking organization may make two loans on a single residential property, one secured by a first lien, the other by a second lien. In such a situation, the FRB views these two transactions as a single loan secured by a first lien, provided there are no intervening liens. The total amount of these transactions is assigned to either the 50 percent or the 100 percent risk category, depending upon whether certain other criteria are met.

One criterion is that the loan must be made in accordance with prudent underwriting standards, including an appropriate ratio of the loan balance to the value of the property (the loan-to-value ratio or LTV). When considering whether a loan is consistent with prudent underwriting standards, the FRB evaluates the LTV ratio based on the combined loan amount. If the combined loan amount satisfies prudent underwriting standards and is considered to be performing adequately, both the first and second lien are assigned to the 50 percent risk category. The FDIC also combines the first and second liens to determine the appropriateness of the LTV ratio, but it applies the risk weights differently than the FRB. If the LTV ratio based on the combined loan amount satisfies prudent underwriting standards and is considered to be performing adequately, the FDIC risk-weights the first lien at 50 percent and the second lien at 100 percent; otherwise, both liens are risk-weighted at 100 percent. The OCC treats all first and second liens separately, with qualifying first liens risk-weighted at 50 percent and non-qualifying first liens and all second liens risk-weighted at 100 percent. The OTS has interpreted its rule to treat first and second liens to a single borrower as a single extension of credit, similar to the FRB.

The agencies are working on a final rule that would adopt the FRB's capital treatment of first and junior liens on 1- to 4-family residential properties.

Mutual Funds

The three banking agencies generally assign all of a bank's holding in a mutual fund to the risk category appropriate to the highest risk asset that a particular mutual fund is permitted to hold under its prospectus. The OCC also permits, on a case-by-case basis, an institution's investment to be allocated on a pro rata basis among the risk categories based on a pro rata distribution of allowable investments under the fund's prospectus. The OTS applies a capital charge appropriate to the riskiest asset that a mutual fund is actually holding at a particular time. The OTS also permits, on a case-by-case basis, pro rata allocation among risk categories based on the fund's actual holdings. All of the agencies' rules provide that the minimum risk weight for investment in mutual funds is 20 percent.

The agencies are working on a final rule that would adopt the banking agencies' general treatment of a mutual fund investment and would permit institutions, at their option, to assign such an investment to risk categories on a pro rata basis according to the investment limits in the mutual fund prospectus.

Joint Final Rules To Amend Risk-Based Capital Standards and Changes Reflecting the Impact of Accounting Standards

Two joint final rules were issued by the agencies in the third quarter of 1998. The first pertains to unrealized gains on certain equity securities. The second reflects the capital impact of recent changes to accounting standards.

From time to time, the Financial Accounting Standards Board (FASB) issues new and modified financial accounting standards. The adoption of some of these standards for regulatory reporting purposes has the potential of affecting the definition and calculation of regulatory capital. Accordingly, the staffs of the agencies work together to propose uniform regulatory capital responses to such accounting changes. Over this past year, the agencies dealt with certain capital effects of Statement of Financial Accounting Standard (FAS) No. 125, ''*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities,*'' which supersedes FAS No. 122, ''*Accounting for Mortgages Servicing Rights*'' and with the impact of FAS No. 133, ''*Accounting for Derivative Instruments and Hedging Activities,*'' on current capital rules.

Unrealized Gains on Certain Equity Securities

On August 26, 1998, the agencies issued a joint final rule that allows banking organizations to include up to 45 percent of net unrealized holding gains on certain available-for-sale equity securities in Tier 2 capital under the agencies' risk-based capital rules. The rule became effective on October 1, 1998. The full amount of net unrealized gains on such securities are included as a component of equity capital under U.S. generally accepted accounting principles (GAAP), but until the adoption of this rule they were not included in regulatory capital. The agencies' capital rules, consistent with GAAP, will continue to require banking organizations to deduct the amount of net unrealized losses on their available-for-sale equity securities from Tier 1 capital. To be consistent with a restriction in the Basle Accord, the agencies have restricted the inclusion of net unrealized gains on equity securities in Tier 2 capital to no more than 45 percent of such net unrealized gains.

FAS 125, ''Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities''

The agencies issued a final rule on August 10, 1998, which amended their capital treatments for servicing assets on both mortgage assets and financial assets other than mortgages. The final rule reflects changes in accounting standards for servicing assets made in FAS 125, which extended the accounting treatment for mortgage servicing to servicing on all financial assets. The amendment raised the capital limitation on the sum of all mortgage servicing assets, nonmortgage servicing assets, and purchased credit card relationships (PCCRs) from 50 percent of Tier 1 capital to 100 percent of Tier 1 capital. Furthermore, it subjected the sum of nonmortgage servicing assets and PCCRs to a sublimit of 25 percent of Tier 1 capital.

FAS 133, ''Accounting for Derivative Instruments and Hedging Activities''

On December 29, 1998, the agencies issued interim guidance on the regulatory capital treatment of derivatives. The interim guidance clarifies how derivatives should be treated under the agencies' current capital rules in light of FAS 133 accounting changes. Although FAS 133 does not become effective until fiscal years beginning after June 15, 1999, early adoption is permitted.

Joint Proposal To Amend Risk Based Capital Standards

Recourse

The agencies published in the **Federal Register** on November 5, 1997, uniform, proposed rules that would use credit ratings to match the risk-based capital assessment more closely to an institution's relative risk of loss in certain asset securitizations. The agencies are discussing comments received and are working on developing a revised proposal.

Capital Differences

Remaining differences among the risk-based capital standards of the OTS and the three banking agencies are discussed below.

Certain Collateral Transactions

The FRB permits certain collateralized transactions to be risk-weighted at zero percent. This preferential treatment is available only for claims fully collateralized by cash on deposit in the bank or by securities issued or guaranteed by OECD central governments or U.S. government agencies. A positive margin of collateral must be maintained on a daily basis fully taking into account any change in the banking organization's exposure to the obligor or counterparty under a claim in relation to the market value of the collateral held in support of that claim. Other collateralized claims, or portions thereof, are risk-weighted at 20 percent.

The OCC permits portions of claims collateralized by cash or OECD government securities to receive a zero percent risk weight, provided that the collateral is marked to market daily and a positive margin is maintained. The FDIC's and OTS's rules permit portions of claims collateralized by cash or OECD government securities to receive a 20 percent risk weight.

The four agencies, on August 16, 1996, published a joint proposed rulemaking that would, if implemented, eliminate capital differences among the agencies' risk-based capital treatment for collateralized transactions. Under the proposed rule, portions of claims collateralized by cash or OECD government securities could be assigned a zero percent risk weight, provided the transactions met certain criteria, which would be uniform among the agencies. Agency staffs are working to finalize this outstanding proposal as soon as possible.

FSLIC/FDIC—Covered Assets (assets subject to guarantee arrangements by the FSLIC or FDIC)

The three banking agencies generally place these assets in the 20 percent risk category, the same category to which claims on depository institutions and government-sponsored agencies are assigned. The OTS places these assets in the zero percent risk category.

Limitation of Subordinated Debt and Limited-Life Preferred Stock

The three banking agencies limit the amount of subordinated debt and limited-life preferred stock that may be included in Tier 2 capital to 50 percent of Tier 1 capital. In addition, maturing capital instruments must be discounted by 20 percent in each of the last five years prior to maturity. The OTS has no limitation on the total amount of limited-life preferred stock or maturing capital instruments that may be included within Tier 2 capital. In addition, the OTS allows savings institutions the option of: (1) discounting maturing capital instruments issued on or after November 7, 1989 by 20 percent per year over the last five years of their term; or (2) including the full amount of such instruments, provided that the amount maturing in any of the next seven years does not exceed 20 percent of the thrift's total capital.

Subsidiaries

Consistent with the Basle Accord and long-standing supervisory practices, the three banking agencies generally consolidate all significant majority-owned subsidiaries of the parent organization for capital purposes. This consolidation assures that the capital requirements are related to all of the risks to which the banking organization is exposed. As with most other bank subsidiaries, banking and finance subsidiaries generally are consolidated for regulatory capital purposes. However, in cases where banking and finance subsidiaries are not consolidated, the FRB, consistent with the Basle Accord, generally deducts investments in such subsidiaries in determining the adequacy of the parent bank's capital.

The FRB's risk-based capital guidelines provide a degree of flexibility in the capital treatment of unconsolidated subsidiaries (other than banking and finance subsidiaries) and investments in joint ventures and associated companies. For example, the FRB may deduct investments in such subsidiaries from an organization's capital, may apply an appropriate risk-weighted capital charge against the proportionate share of the assets of the entity, may require a line-by-line consolidation of the entity, or otherwise may require that the parent organization maintain a level of capital above the minimum standard that is sufficient to compensate for any risk associated with the investment.

The guidelines also permit the deduction of investments in subsidiaries that, while consolidated for accounting purposes, are not consolidated for certain specified supervisory or regulatory purposes. The FDIC accords similar treatment to securities subsidiaries of state nonmember banks established pursuant to § 337.4 of the FDIC regulations.

Similarly, in accordance with § 325.5(f) of the FDIC regulations, a state nonmember bank must deduct investments in, and extensions of credit to, certain mortgage banking subsidiaries in computing the parent bank's capital. The FRB does not have a similar requirement with regard to mortgage banking subsidiaries. The OCC does not have requirements dealing specifically with the capital treatment of either mortgage banking or securities subsidiaries. The OCC, however, reserves the right to require a national bank, on a case-by-case basis, to deduct from capital investments in, and extensions of credit to, any nonbanking subsidiary.

The deduction of investments in subsidiaries from the parent's capital is designed to ensure that the capital supporting the subsidiary is not also used as the basis of further leveraging and risk-taking by the parent banking organization. In deducting investments in, and advances to, certain subsidiaries from the parent's capital, the FRB expects the parent banking organization to meet or exceed minimum regulatory capital standards without reliance on the capital invested in the particular subsidiary. In assessing the overall capital adequacy of banking organizations, the FRB also considers the organization's fully consolidated capital position.

Under the OTS capital guidelines, a distinction, mandated by FIRREA, is drawn between subsidiaries that are engaged in activities permissible for national banks and subsidiaries that are engaged in ''impermissible'' activities for national banks. Subsidiaries of thrift institutions that engage only in impermissible activities are consolidated on a line-by-line basis if majority-owned, and on a pro rata basis if ownership is between 5 and 50 percent. As a general rule, investments, including loans, in subsidiaries that engage in impermissible activities are deducted in determining the capital adequacy of the parent.

Mortgage-Backed Securities (MBS)

The three banking agencies generally place privately-issued MBS in a risk category appropriate to the underlying assets, but in no case to the zero percent risk category. In the case of privately-issued MBS where the direct underlying assets are mortgages, this treatment generally results in a risk weight of 50 percent or 100 percent. Privately-issued MBS that have government agency or government-sponsored agency securities as their direct underlying assets are generally assigned to the 20 percent risk category.

The OTS assigns privately-issued, high-quality mortgage-related securities to the 20 percent risk category. These are, generally, privately-issued MBS with AA or better investment ratings.

Both the banking and thrift agencies automatically assign to the 100 percent risk weight category certain MBS, including interest-only strips, residuals, and similar instruments that can absorb more than their pro rata share of loss.

Agricultural Loan Loss Amortization

In the computation of regulatory capital, those banks accepted into the agricultural loan loss amortization program pursuant to Title VII of the Competitive Equality Banking Act of 1987 are permitted to defer and amortize losses incurred on agricultural loans between January 1, 1984 and December 31, 1991. The program also applies to losses incurred between January 1, 1983 and December 31, 1991, as a result of reappraisals and sales of agricultural Other Real Estate Owned and agricultural personal property. These loans must be fully amortized over a period not to exceed seven years and, in any case, must be fully amortized by year-end 1998. Savings institutions are not eligible to participate in the agricultural loan loss amortization program established by this statute.

Pledged Deposits and Nonwithdrawable Accounts

The capital guidelines of the OTS permit thrift institutions to include in capital certain pledged deposits and nonwithdrawable accounts that meet the criteria of the OTS. Income Capital Certificates and Mutual Capital Certificates held by the OTS may also be included in capital by thrift institutions. These instruments are not relevant to commercial banks, and, therefore, are not addressed in the banking agencies' capital rules.

Accounting Standards

Over the years, the three banking agencies, under the auspices of the FFIEC, have developed Uniform Reports of Condition and Income (Call Reports) for all commercial banks and FDIC-supervised savings banks. The reporting standards followed by the three banking agencies for recognition and measurement purposes are consistent with GAAP. The agencies adopted GAAP as the reporting basis for the Call Report, effective for March 1997 reports. The adoption of GAAP for Call Report purposes eliminated the differences in accounting standards among the agencies that were set forth in previous reports to Congress. Thus, there are no material differences in regulatory accounting standards for regulatory reports filed with the federal banking agencies by commercial banks, savings banks, and savings associations.

By order of the Board of Governors of the Federal Reserve System, January 13, 1999.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 99–1163 Filed 1–19–99; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL TRADE COMMISSION

Granting of Request for Early Termination of the Waiting Period Under the Premerger Notification Rules

Section 7A of the Clayton Act, 15 U.S.C. § 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the **Federal Register**.

The following transactions were granted early termination of the waiting period provided by law and the premerger notification rules. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period.

TRANSACTION GRANTED EARLY TERMINATION

ET date	Trans No.	ET req status	Party name
07–DEC–98	19990523	G	Applied Magnetics Corporation.
		G	DAS Services, Inc.
		G	DAS Services, Inc.
	19990524	G	Motorola, Inc.
		G	Lucent Technologies, Inc.
		G	Philips Consumer Communications L.P.
	19990539	G	ServiceMaster Company (The).
		G	LandCare USA, Inc.
		G	LandCare USA, Inc.
	19990544	G	Mego Mortgage Corporation.
		G	Patwinder Sidhu.
		G	LL Funding Corp.
	19990545	G	Mego Mortgage Corporation.
		G	Dariush Yazdan-Panah.
		G	LL Funding Corp.
	19990564	G	Hicks, Muse, Tate & Furst Equity Fund III, L.P.
		G	Chancellor Media Corporation.
		G	Chancellor Media Corporation.
	19990571	G	Legato Systems, Inc.