

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

FEDERAL RESERVE SYSTEM

12 CFR Part 223

[Regulation W; Docket No. R-1103]

Transactions Between Banks and Their Affiliates; Correction

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice of proposed rulemaking; correction.

SUMMARY: This document supplements the preamble to a proposed Regulation W published in the **Federal Register** of May 11, 2001, regarding sections 23A and 23B of the Federal Reserve Act (66 FR 24186). This supplement seeks comment on whether the Board should exempt extensions of credit by a bank to any person that are secured by shares of a mutual fund for which the bank or an affiliate of the bank acts as investment adviser.

DATES: Comments on this supplement, along with any other comments on the proposed Regulation W, must be submitted on or before August 15, 2001.

FOR FURTHER INFORMATION CONTACT: Pamela G. Nardolilli, Senior Counsel (202/452-3289), or Mark E. Van Der Weide, Counsel (202/452-2263), Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

SUPPLEMENTARY INFORMATION: On May 2, 2001, the Board approved, in connection with its approval of the proposed Regulation W, seeking public comment on whether to grant an exemption from section 23A of the Federal Reserve Act for transactions in which a bank takes proprietary mutual fund shares as collateral for a loan. The preamble to the proposed Regulation W inadvertently did not contain a request for comment on this issue. The following supplement to the Regulation W preamble presents this comment request.

Correction

In proposed rule FR Doc. 01-11610, beginning on page 24186 in the **Federal Register** issue of May 11, 2001, make the following correction in the **SUPPLEMENTARY INFORMATION** section. On page 24201 in the first column, add at the end of the first full paragraph the following:

“L. Additional Exemptions

Section 23A(b)(7)(D) includes as a covered transaction a bank's acceptance of securities issued by an affiliate as collateral for an extension of credit to any person. Section 23A(b)(1)(D)(ii) defines as an affiliate of a bank any mutual fund for which a bank or an affiliate of the bank acts as an investment adviser (“proprietary mutual fund”). Several commenters have requested that the Board exempt from section 23A transactions in which a bank accepts proprietary mutual fund shares as collateral for an extension of credit. The Board asks for comment on whether granting such an exemption would be consistent with the purposes of section 23A. The Board also specifically seeks comment on whether to condition the availability of the exemption, if granted, on any of the following requirements: (i) The borrower does not use the proceeds of the loan to purchase shares of proprietary mutual funds; (ii) the borrower is not an executive officer of the bank or its affiliates; (iii) the price of the mutual fund shares is quoted routinely in a widely disseminated news source; (iv) the shares of the mutual fund are widely held by the public; or (v) the bank and its affiliates do not own in the aggregate more than 5 percent of the shares of the mutual fund.

The Board also invites comment on whether additional exemptions from section 23A are in the public interest and consistent with the purposes of the statute.”

By order of the Board of Governors of the Federal Reserve System, June 20, 2001.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 01-15869 Filed 6-22-01; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2000-SW-37-AD]

Airworthiness Directives; Bell Helicopter Textron Canada Model 206L-4 Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes adopting a new airworthiness directive (AD) for Bell Helicopter Textron Canada (BHTC) Model 206L-4 helicopters. This proposal would require installing a high altitude tail rotor static stop yield indicator (indicator) to allow operators to detect excessive bending loads sustained by the tail rotor yoke. A preflight check of the indicator would also be required. This proposal is prompted by a determination that a tail rotor yoke with a high altitude rotor system is susceptible to a static and dynamic overload. Static overload could occur after the tail rotor yoke sustains an excessive bending load due to a strike from a ground vehicle. Dynamic overload could occur as a result of a hard landing. The actions specified by the proposed AD are intended to prevent failure of the tail rotor yoke in flight and subsequent loss of control of the helicopter.

DATES: Comments must be received on or before August 24, 2001.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Office of the Regional Counsel, Southwest Region, Attention: Rules Docket No. 2000-SW-37-AD, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. You may also send comments electronically to the Rules Docket at the following address: 9-asw-adcomments@faa.gov. Comments may be inspected at the Office of the Regional Counsel between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Marc Belhumeur, Aviation Safety Engineer, FAA, Rotorcraft Certification Office, Rotorcraft Directorate, Fort Worth, Texas 76193-0170, telephone (817) 222-5177, fax (817) 222-5783.