

[Report No. 2150]**Petitions for Reconsideration of Action in Rulemaking Proceedings**

August 30, 1996.

Petitions for reconsideration have been filed in the Commission's rulemaking proceedings listed in this Public Notice and published pursuant to 47 CFR Section 1.429(e). The full text of these documents are available for viewing and copying in Room 239, 1919 M Street, N.W., Washington, D.C. or may be purchased from the Commission's copy contractor, ITS, Inc. (202) 857-3800. Oppositions to these petitions must be filed by September 20, 1996. See Section 1.4(b)(1) of the Commission's rules (47 CFR 1.4(b)(1)). Replies to an opposition must be filed within 10 days after the time for filing oppositions has expired.

Subject: Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Moncks Corner, Kiawah Island and Sampit, SC) (MM Docket No. 94-70, RM-8474, RM-8706).

Number of Petition Filed: 1.

Subject: Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Chester, Shasta Lake City, Alturas, McCloud and Weaverville, CA) (MM Docket No. 94-76, MM Docket No. 94-77, RM-8470, RM-8477, RM-8523, RM-8524).

Number of Petition Filed: 1.

Subject: Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Shingletown, CA) (MM Docket No. 95-51, RM-8591).

Number of Petition Filed: 1.

Subject: Amendment of Part 95 of the Commission's Rules to Allow Interactive Video and Data Service Licensees to Provide Mobile Service to Subscribers. (WT Docket No. 95-47)*.

Number of Petitions Filed: 3.

*This Public Notice includes the petition filed by William J. Franklin on behalf of ITV, Inc and IVDS Affiliates, LC. A previous Public Notice, Report No. 2146, was released on August 7, 1996 and published in the Federal Register on August 14, 1996, listed only two petitions filed on July 25, 1996. We are therefore placing all three petitions on public notice at this time.

Subject: Bell Operating Company Provision of Out-of-Region Interstate, Interexchange Services. (CC Docket No. 96-21).

Number of Petition Filed: 1.

Subject: Order to Show Cause Why the License for Station KOJC(FM), Cedar Rapids, Iowa Should Not Be Revoked. (MM Docket No. 96-47).

Number of Petition Filed: 1.

Federal Communications Commission.
William F. Caton,
Acting Secretary.
[FR Doc. 96-22534 Filed 9-4-96; 8:45 am]
BILLING CODE 6712-01-M

FEDERAL DEPOSIT INSURANCE CORPORATION**Statement of Policy on the Use of Offering Circulars**

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Revision of Statement of Policy.

SUMMARY: The FDIC is revising its Statement of Policy Regarding Use of Offering Circulars in Connection with Public Distribution of Bank Securities. The revision updates the informational standards for the public distribution of bank securities by insured state nonmember banks, clarifies the meaning of certain standards, and provides references for bank management and counsel for mutual-to-stock conversions, public distribution of securities and private placements. The FDIC Board of Directors believes that the statement of policy enhances public confidence in the banking system by providing for full disclosure in offering circulars.

EFFECTIVE DATE: September 5, 1996.

FOR FURTHER INFORMATION CONTACT: Lawrence H. Pierce, Section Chief, (202/898-8902) or Mary S. Frank, Senior Financial Analyst, (202/898-8903), Division of Supervision; Gerald Gervino, Senior Attorney, (202/898-3723), Legal Division.

SUPPLEMENTARY INFORMATION:**I. Current Statement**

The current statement of policy was adopted by the FDIC's Board of Directors in July 1979. The policy discusses the antifraud provisions of the securities laws and contains a brief statement of the information that should be furnished when a state nonmember bank offers and sells equity or debt securities in a public offering.

II. Need for Revision

The offer and sale of securities issued by financial institutions are subject to the antifraud provisions of the federal securities laws. These antifraud provisions presume certain common disclosure standards on the banking industry. The standards and needs of the industry have evolved in the 17 years since the FDIC Board of Directors issued the initial statement of policy. These revisions represent an update and clarification of the standards delineated

in the initial statement of policy and are expected to enhance capital formation.

III. Modifications

The primary changes to the original statement of policy pertain to mutual-to-stock conversions and sales of the bank's securities on bank premises. The revisions reflect the FDIC's expanded review responsibility with respect to mutual-to-stock conversions and also the need to enhance disclosures in response to changes in the securities markets.

Other areas of change pertain to limitations on advertising activity, minimum requirements for subscription order forms, and references to regulations of the Office of Thrift Supervision and the Securities Exchange Commission in particular circumstances. The statement of policy no longer refers to the Securities Offering Disclosure Rules (12 CFR part 16) of the Comptroller of the Currency because part 16 has been cross-referenced to the regulations of the Securities and Exchange Commission since April 1995. The list of essential items of disclosure is also revised.

Additional guidance in the areas of disclosure and advertising, suitability and sales practices, as well as setting and circumstances relating to sales activities on the premises of a depository institution is provided by the "Interagency Statement on Retail Sales of Nondeposit Investment Products". Portions of that statement may be applicable when a bank sells or distributes securities as part of the capital formation process.

IV. Approach

The revised statement of policy does not impose a filing requirement, although the FDIC will continue to review offering circulars used in connection with mutual-to-stock conversions and deposit insurance applications. This approach provides flexibility to small banks and allows the banks to incorporate disclosure material prepared for other purposes, including state securities requirements, in offering circulars. The statement of policy allows for informal consultation with the staff in the Registration and Disclosure Section. This method of review has proven beneficial to small banks over the past few years.

V. The Statement of Policy

The text of the statement of policy follows:

Statement of Policy Regarding Use of Offering Circulars in Connection With Public Distribution of Bank Securities

This statement of policy concerns the use of offering circulars in connection with the public distribution of bank securities by insured state nonmember banks. The FDIC is issuing this statement in view of its statutory duties relating to capital adequacy, the safety and soundness of insured banks, and its review responsibilities with respect to mutual-to-stock conversions of FDIC-regulated financial institutions. The statement of policy also is intended to protect insured state nonmember banks against the risk of serious capital loss or litigation that could result if bank securities are sold in violation of the antifraud provisions of the federal securities laws.¹

The issuance of securities by banks is subject to the antifraud provisions of the federal securities laws which require full and adequate disclosure of material facts.² It is the FDIC's goal to have banks comply with the antifraud provisions of the federal securities laws in a manner which meets the needs of investors, depositors and issuers. It is the responsibility of bank management and the promoters of a bank in organization to understand these requirements and utilize an offering circular in appropriate situations.³

In view of the FDIC's statutory duty to determine capital adequacy when passing upon an application for federal deposit insurance, the FDIC reviews whether public investors have been provided sufficient disclosure of material facts by an insured state nonmember bank in organization. The FDIC also reviews any offering circular

used by a bank operating under an administrative order, or used in a mutual-to-stock conversion as part of the application process.

The FDIC believes that every insured state nonmember bank or bank in organization publicly offering its securities, including offerings under preemptive rights, should use an offering circular.

(1) The offering circular should include the following statements in capital letters printed in boldfaced type:

THESE SECURITIES ARE NOT DEPOSITS. THESE SECURITIES ARE NOT INSURED BY THE FDIC OR ANY OTHER AGENCY, AND ARE SUBJECT TO INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION NOR HAS THE FEDERAL DEPOSIT INSURANCE CORPORATION PASSED ON THE ADEQUACY OR ACCURACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

(2) The offering circular should indicate in capital letters and boldfaced type, if debt securities are offered:

THESE OBLIGATIONS ARE SUBORDINATE TO THE CLAIMS OF DEPOSITORS AND OTHER CREDITORS AS MORE FULLY DESCRIBED IN THE OFFERING CIRCULAR.

(3) The offering circular should identify the offeror and principal business address; state the title, number, aggregate dollar amount and per unit price of securities offered; describe the subscription rights and limitations, risk factors, business of the offeror, use of proceeds and capital structure, management and principal shareholders, compensation and business transactions, material features of the securities offered, dividend policy, the plan of distribution, and legal or administrative proceedings; provide selected financial data for each of the last five fiscal years and interim periods, and a management's discussion and analysis of the results of operation for at least the past two years and the interim periods; and present comparative financial statements, footnotes and schedules of the bank.

The financial statements, footnotes and schedules for each fiscal year and interim period presented should be at least as inclusive as that required by the annual disclosure statement for insured state nonmember banks (12 CFR part 350). Banks that have an annual audit of financial statements by an independent public accountant, which the FDIC strongly encourages, should include the audited financial statements in the

offering circular. Banks are encouraged to include an introductory "plain English" summary of the essential information contained in the offering circular, along with a profile of the terms of the offer and the telephone number of the principal executive office of the bank.

Banks in organization should disclose the expected relationship that the institution will have with each promoter, organizer, proposed director and executive officer, including compensation, business transactions, and stock option or award plans. A balance sheet and statement of organizational and pre-operating expenses, a pro forma capitalization table and a business plan should be provided as of the latest practicable date for the bank in organization.

(4) The offering circular should be accompanied by a subscription order form that states the maximum subscription price per share of capital stock, the maximum and minimum number of shares that may be purchased pursuant to subscription rights, the time period within which the subscription rights must be exercised, any withdrawal rights, any required method of payment, and the escrow arrangements. The subscription order form should provide specifically designated blank spaces for dating and signing. The order form should contain an acknowledgement by the subscriber that he or she received an offering circular prior to signing.

Sales of securities issued by insured state nonmember banks should be conducted in a segregated area of the depository institutions' offices, whenever possible. Offers and sales should be conducted by authorized personnel, excluding tellers, in places where deposits are not ordinarily received. An insured depository institution should obtain a signed and dated certification from the purchaser confirming that the purchaser has read and understands the disclosures set out in paragraphs (1) and (2) above. The certification should contain a separate place where a purchaser should indicate, by initialing or by comparable method, that the purchaser is aware of the absence of deposit insurance covering the securities being sold.⁴

Any written advertisement, letter, announcement, film, radio, or television broadcast which refers to a present or proposed public offering of securities covered by this Statement of Policy

⁴ Sales of securities on bank premises are also subject to the guidance contained in the "Interagency Statement on Retail Sales of Nondeposit Investment Products" dated February 15, 1994.

¹ The FDIC recognizes the efforts of certain states in regulating the offering of securities by insured state nonmember banks and encourages the adoption of regulations and review procedures at the state level; however, because of a lack of uniformity among all states, FDIC considers the adoption of this statement of policy which will apply to all insured state nonmember banks appropriate.

² Section 17(a) of the Securities Act of 1933 (15 U.S.C. 77q(a)) and rule 10b-5 (17 CFR 240.10b-5) of the Securities Act of 1933 ("SEC") promulgated under section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78j(b)).

³ SEC rule 10b-5 (17 CFR 240.10b-5) makes it unlawful in connection with the offer or sale of a security: * * *

(a) To employ any device, scheme, or artifice to defraud,

(b) To make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or

(c) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

should contain: (a) A statement that the announcement is neither an offer to sell nor a solicitation of an offer to buy any of the securities and that the offer may be made only by an offering circular, (b) the names and addresses of the bank and the lead underwriter, (c) the title of the security, the dollar amount and the number of securities being offered, and the per unit offering price to the public, (d) instructions for obtaining an offering circular and (e) a statement that the securities are neither insured nor approved by the FDIC.

The FDIC uses the Office of Thrift Supervision's conversion regulations as a frame of reference in reviewing the form and content of offering circulars used in connection with mutual-to-stock conversions. Banks utilizing an offering circular in connection with a mutual-to-stock conversion should consult 12 CFR 563b.102 (Form OC—Offering Circular).

The disclosure goals of this statement of policy will be met if:

(A) The offer and sale satisfy the information and disclosure requirements of SEC Regulation A—Conditional Small Issues Exemption (17 CFR part 230), or Regulation S—B (Small Business Issuers) (17 CFR part 228), or

(B) The securities are offered and sold in a transaction that satisfies the requirements of SEC Regulation D (17 CFR 230.501–230.506), relating to private offers and/or sales to accredited investors, or

(C) The securities are offered and sold in a transaction that satisfies the informational requirements of SEC Rule 701 (17 CFR 230.701) for certain employee benefit plans, or

(D) The securities are offered and sold in a transaction that satisfies the information and disclosure requirements of OTS's part 563g—Securities Offerings (12 CFR 563g).

Inasmuch as the statement of policy does not impose the burden of filing and awaiting regulatory approval, and allows for certain flexibility, the FDIC believes it will be beneficial to small banks.

Banks or their legal counsel may contact the FDIC's Registration and Disclosure Section, Division of Supervision, for a copy of Suggested Form and Content for Offering Circular (Existing Bank) or Suggested Form and Content for Offering Circular (Bank in Organization). The address is Registration and Disclosure Section, Division of Supervision, 550 17th Street, N.W., Washington, D.C. 20429. (202) 898–8902.

By order of the Board of Directors, dated at Washington, DC, this 13th day of August, 1996.

Federal Deposit Insurance Corporation.
Jerry L. Langley,
Executive Secretary.
[FR Doc. 96–22622 Filed 9–4–96; 8:45 am]
BILLING CODE 6714–01–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meeting

AGENCY: Federal Election Commission.

DATE AND TIME: Tuesday, September 10, 1996 at 10:00 a.m.

PLACE: 999 E Street, N.W., Washington, D.C.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED:

Compliance matters pursuant to 2 U.S.C. § 437g.

Audits conducted pursuant to 2 U.S.C.

§ 437g, § 438(b), and Title 26, U.S.C.

Matters concerning participation in civil actions or proceedings or arbitration Internal personnel rules and procedures or matters affecting a particular employee

DATE AND TIME: Thursday, September 12, 1996 at 10:00 a.m.

PLACE: 999 E Street, N.W. Washington, DC (Ninth floor).

STATUS: This meeting will be open the public.

ITEMS TO BE DISCUSSED:

Correction and Approval of Minutes

Advisory Opinion 1996–25: Stanley M.

Brand on behalf of Seafarers Political Activity Donation ("SPAD")

Advisory Opinion 1996–34: Susan Wenger, Treasurer, Thornberry for U.S. Congress Committee

Advisory Opinion 1996–36: Robert F. Bauer

on behalf of the Honorable Martin Frost,

Sheila Jackson Lee, Ken Bentsen, Gene

Green, and Eddie Bernice Johnson

Advisory Opinion 1996–37: Kindra L.

Hefner, Director, Brady for Congress Committee

Clinton/Gore '96 Primary Committee, Inc.—

Request to Suspend Public Funds (LRA #485)

Administrative Matters

PERSON TO CONTACT FOR INFORMATION:

Mr. Ron Harris, Press Officer,

Telephone: (202) 219–4155.

Delores Hardy,

Administrative Assistant.

[FR Doc. 96–22841 Filed 9–3–96; 3:11 pm]

BILLING CODE 6715–01–M

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1133–DR]

Iowa; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Iowa (FEMA–1133–DR), dated August 21, 1996, and related determinations.

EFFECTIVE DATE: August 21, 1996.

FOR FURTHER INFORMATION CONTACT: Pauline C. Campbell, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3606.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 21, 1996, the President declared a major disaster under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*), as follows:

I have determined that the damage in certain areas of the State of Iowa, resulting from severe storms and flooding on June 15–30, 1996, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("the Stafford Act"). I, therefore, declare that such a major disaster exists in the State of Iowa.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance and Hazard Mitigation in the designated areas. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance or Hazard Mitigation will be limited to 75 percent of the total eligible costs.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

Notice is hereby given that pursuant to the authority vested in the Director of the Federal Emergency Management Agency under Executive Order 12148, I hereby appoint Eric Jenkins of the Federal Emergency Management Agency to act as the Federal Coordinating Officer for this declared disaster.

I do hereby determine the following areas of the State of Iowa to have been