

Several commenters asserted that the proposed services are contradictory to Congressional intent and legislative history. Commenters in opposition also believe that FCS institutions cannot legally offer trust services because state law governs who can be deemed a corporate trustee, and most laws only include banks, savings and loan institutions, and trust companies. Further, the commenters noted that farm management, like any property management, is a commercial activity that most nationally chartered banks and savings and loan institutions are prohibited from offering.

The majority of comments in opposition to this proposal noted that there are significant conflicts of interest, particularly when the institution serves as farm manager, lender, and trustee of the same property. Financing farm operators and absentee landowners, while having a fiduciary position of negotiating leases and selecting farm operators, has built-in conflicts of interest. It would be difficult to negotiate lease terms as a farm manager if the farm operator were also a borrower. Commenters suggested that conflicts would also develop if potential farm management clients needed to borrow money. In addition, commenters stated that institutions offering farm management and trust services could expect to be involved in frequent litigation. As a result, some commenters felt that the services pose too great a financial risk to the System.

V. FCA's Action on the Proposal

After thoroughly considering the proposal and the comments received, the FCA concluded that farm management and agricultural trust services could come within the definition of related services as authorized in 12 CFR 618.8000 and the Farm Credit Act of 1971, as amended. The services are related to on-farm operations, which FCA has defined to include control of related financial matters. The proposed services are also similar to several other services that have been approved by the FCA, provided by FCS institutions for a number of years, and ratified through a notice and comment rulemaking process. Those services include appraisal services, estate planning services, farm recordkeeping services, and farm business consulting services.

Although the proposed services come within the statutory and regulatory parameters of a related service, farm management and agricultural trust services as proposed introduce significant risks and potential conflicts of interest for System institutions. An

institution participating in farm management and agricultural trust services could face legal liability to its customers for certain management decisions, as well as third-party liability, including environmental liability. The financial risks associated with liability could significantly affect an institution's capital and financial condition. In addition, these services would likely involve substantial start-up and maintenance costs. If many institutions began offering these services, the risks and conflicts involved could adversely impact the System's viability.

Performing farm management and agricultural trust services for customers who are also borrowers of the offering institution poses potentially significant conflicts of interest. The conflicts would be magnified if a borrower's loan became distressed. Foreclosing on a loan, including providing distressed loan restructuring rights, would be difficult if the institution foreclosing on the loan were also managing the farm. Significant potential for conflicts would also exist in management and trust situations where owners and lessees were also borrowers of the institution. The potential conflicts of interests would increase the financial risk of offering these services because they are likely to give rise to frequent litigation, including creating defenses to foreclosures of managed properties and properties in trust. FCA believes that the conflicts of interest that this proposal presents are too great and cannot be satisfactorily resolved.

FCA recognizes that farm management and agricultural trust services can be beneficial to farmers and ranchers, particularly YBS farmers and ranchers. In some areas, these services may be provided through existing entities, while other areas may be underserved by existing entities. Notwithstanding the potential need for and benefits of these services, FCA believes that the conflicts and financial risks when one institution serves as both lender and manager/trustee outweigh the benefits that could be derived. FCA also notes that many of the benefits of these services, particularly the benefits to YBS farmers and ranchers, could be gained by System institutions more fully utilizing farm business consulting, which is an authorized related service on the Related Services List in 12 CFR part 618. Through farm business consulting, FCS institutions can provide critical advice to young and beginning farmers and advice on alternatives available to retiring farmers. Because FCS institutions that offer farm business

consulting are not authorized to make management decisions for a customer, conflicts of interest and liability concerns are alleviated. For the foregoing reasons, the FCA Board has decided that farm management and agricultural trust services, as proposed, should not be authorized as related services.

Dated: May 3, 2004.

Jeanette C. Brinkley,
Secretary, Farm Credit Administration Board.
[FR Doc. 04-10408 Filed 5-6-04; 8:45 am]
BILLING CODE 6705-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Proposed Information Collection; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The FDIC, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on the proposed renewal of an information collection, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35). Currently, the FDIC is soliciting comments concerning a proposed information collection titled "Depositor Claims for Increased Insurance."

DATES: Comments must be submitted on or before July 6, 2004.

ADDRESSES: Interested parties are invited to submit written comments to Thomas Nixon, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429. All comments should refer to "Depositor Claims for Increased Insurance." Comments may be hand-delivered to the guard station at the rear of the 17th Street Building (located on F Street), on business days between 7 a.m. and 5 p.m. Comments may also be submitted to the OMB desk officer for the FDIC: Mark Menchik, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Thomas Nixon, (202) 898-8766, or at the address above.

SUPPLEMENTARY INFORMATION: Proposal to renew the following currently approved collection of information:
Title: Depositor Claims for Increased Insurance.

OMB Number: New collection.

Frequency of Response: On occasion.

Affected Public: Depositors of failed insured institutions who own or have an interest in a testamentary deposit account, a trust account, a defined benefit plan, or other retirement account will be required to complete one or more forms.

Estimated Annual Number of Respondents: 5025.

Estimated Time per Response: The time per response will range from one-half hour to one hour depending on the form required.

Estimated Total Annual Burden: 2739 hours.

General Description of Collection: When a bank is closed by the primary regulatory authority, the FDIC has the responsibility to pay the insured claims of the failed bank depositors. When determining insured and uninsured amounts it is often necessary to obtain information from the depositors to ensure adherence to the FDIC's Deposit Insurance Rules and Regulations. The proposed collection will place 15 forms on the FDIC's Web site that will expedite depositors' making insurance claims.

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the collection should be modified prior to submission to OMB for review and approval. Comments submitted in response to this notice also will be summarized or included in the FDIC's requests to OMB for renewal of this collection. All comments will become a matter of public record.

Dated at Washington, DC, this 4th day of May, 2004.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 04-10478 Filed 5-6-04; 8:45 am]

BILLING CODE 6714-01-P

FEDERAL HOUSING FINANCE BOARD

Sunshine Act Meeting Notice; Announcing a Closed Meeting of the Board of Directors

TIME AND DATE: The meeting of the Board of Directors is scheduled to begin at 10 a.m. on Wednesday, May 12, 2004.

PLACE: Board Room, Second Floor, Federal Housing Finance Board, 1777 F Street, NW., Washington, DC 20006.

STATUS: The entire meeting will be closed to the public.

MATTERS TO BE CONSIDERED: Periodic Update of Examination Program Development and Supervisory Findings.

CONTACT PERSON FOR MORE INFORMATION: Mary Gottlieb, Paralegal Specialist, Office of General Counsel, by telephone at (202) 408-2826 or by electronic mail at gottlieb@fhfb.gov.

Dated: May 4, 2004.

By the Federal Housing Finance Board.

Mark J. Tenhundfeld,

General Counsel.

[FR Doc. 04-10593 Filed 5-5-04; 3:36 pm]

BILLING CODE 6725-01-P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the 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 (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States. Additional information on all bank

holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

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 June 1, 2004.

A. Federal Reserve Bank of Richmond (A. Linwood Gill, III, Vice President) 701 East Byrd Street, Richmond, Virginia 23261-4528:

1. *Premier Community Bankshares, Inc.*, Winchester, Virginia; to acquire 100 percent of the voting shares of Premier Bank, Inc. (in organization), Martinsburg, West Virginia.

Board of Governors of the Federal Reserve System, May 3, 2004.

Robert deV. Frierson,

Deputy Secretary of the Board.

[FR Doc. 04-10405 Filed 5-6-04; 8:45 am]

BILLING CODE 6210-01-S

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. Additional information on all bank holding companies may be obtained from the National Information Center website at www.ffiec.gov/nic/.

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 May 21, 2004.

A. Federal Reserve Bank of Chicago (Patrick M. Wilder, Assistant Vice