review were: Part 338, Fair Housing (3 comments); Part 345, Community Reinvestment (4 comments); and Part 349, Reports of Indebtedness of Executive Officers and Principal Shareholders to Correspondent Banks (6 comments).

FDIC has decided to include the three regulations specifically requested by the few commentators in its 1982 review. Other selections were made with the intention of avoiding regulations which have recently undergone extensive revisions, because such revisions have already involved substantive staff analyses and opportunities for public comments and, therefore, preclude the possibility of needing significant changes at this time.

Accordingly, during 1982 FDIC will make reviews of the following:

PART 309—DISCLOSURE OF INFORMATION

Legal basis: Sec. 2(9) "Seventh" and "Tenth," Pub. L. No. 797, 64 Stat. 881, as amended by Title III; sec. 309, Pub. L. No. 95–630, 92 Stat. 3677 (12 U.S.C. 1819 "Seventh" and "Tenth"); sec. 309.5, also issued under 5 U.S.C. 552.

Description and need: This Part sets forth the basic policies of the Federal Deposit Insurance Corporation regarding information it maintains and the procedures for obtaining access to such information.

PART 311—RULES GOVERNING PUBLIC OBSERVATION OF MEETINGS OF THE CORPORATION'S BOARD OF DIRECTORS

Legal basis: 5 U.S.C. 552b and 12 U.S.C. 1819.

Description and need: This Part implements the policy of the "Government in the Sunshine Act," Section 552b of Title 5, United States Code, which is to provide the public with as much information as possible regarding the decision-making processes of certain Federal agencies, including the Federal Deposit Insurance Corporation, while preserving the rights of individuals and the ability of the agency to carry out its responsibilities.

PART 332—POWERS INCONSISTENT WITH PURPOSES OF FEDERAL DEPOSIT INSURANCE LAW

Legal basis: Secs. 6, 9, 64 Stat. 876, 881; 12 U.S.C. 1816, 1819.

Description and need: This Part identifies certain activities which banks may not engage in, because they are contrary to the Federal Deposit Insurance Act.

PART 335—SECURITIES OF NONMEMBER INSURED BANKS

Legal basis: Sec. 12(i) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 781(i)).

Description and need: This Part Implements requirements of the Securities Exchange Act of 1934 as they apply to securities of nonmember banks.

PART 338—FAIR HOUSING

Legal basis: Sec. 2, Pub. L. No. 86–671, 74 Stat. 547 (12 U.S.C. 1817); sec. 8, Pub. L. No. 797, 64 Stat. 879, as amended by sec. 202, 204, Pub. L. 89–695, 80 Stat. 1046, 1054, and sec. 110, Pub. L. No. 93–495, 88 Stat. 1506 (12 U.S.C. 1818); sec. 9, Pub. L. No. 797, 64 Stat. 881, as amended by sec. 205, Pub. L. No. 89–695, 80 Stat. 1055 (12 U.S.C. 1819); sec. 203, Pub. L. No. 89–695, 80 Stat. 1053 (12 U.S.C. 1920(b)); sec. 805, Pub. L. No. 90–284, 82 Stat. 83, 84, as amended by sec. 808, Pub. L. No. 93–383, 88 Stat. 729 (42 U.S.C. 3605, 3608); section 501, Pub. L. No. 93–495, 88 Stat. 1521, as amended by sec. 2, Pub. L. No. 94–239, 90 Stat. 251 (15 U.S.C. 1691, et seq.); 40 FR 49306, October 22, 1975, 12 C.F.R. Part 202; 37 FR 3429, February 16, 1972, 24 C.F.R. Part 110.

Description and need: This Part establishes requirements applicable to advertisements and records of banks as a means of implementing Federal statutes concerned with fair housing.

PART 345—COMMUNITY REINVESTMENT

Legal basis: Community Reinvestment Act of 1977 (Title VIII of the Housing and Community Development Act of 1977, Pub L. No. 95–128; 91 Stat. 1147, et seq. (12 U.S.C. 2901, note)).

Description and need: This Part provides guidance to banks as to how the FDIC will assess the records of insured State nonmember banks in satisfying their continuing and affirmative obligations to help meet the credit needs of the local communities, including low- and moderate-income neighborhoods, consistent with safe and sound operations of those banks, and provides for taking into account those records in connection with certain applications.

PART 349—REPORTS OF INDEBTEDNESS OF EXECUTIVE OFFICERS AND PRINCIPAL SHAREHOLDERS TO CORRESPONDENT BANKS

Legal basis: Title VIII of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 ("FIRIRCA," Pub. L. No. 95–630, 12 U.S.C. 1972(2)), and under authority of Sections 7(a) and 9 (Tenth) of the Federal deposit Insurance Act, 12 U.S.C. 1817(a), 1819 (Tenth).

Description and need: This Part implements the reporting requirements of Title VIII of FIRIRCA as they apply to insured State Nonmember banks. Title VIII prohibits (1) preferential lending by a bank to executive officers, directors and principal shareholders of another bank when there is a correspondent account relationship between the banks, or (2) the opening of a correspondent account relationship between banks when there is a preferential extension of credit by one of the banks to an executive officer, director or principal shareholder of the other bank. Title VIII imposes requirements on executive officers and principal shareholders to submit reports on their indebtedness to correspondent banks.

By order of the Board of Directors, January 18, 1982.

Federal Deposit Insurance Corporation,

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 82–1581 Filed 1–21–82; 8:45 am]

BILLING CODE 6714–01–M

FEDERAL TRADE COMMISSION

16 CFR Part 14

Proposed Statement of Enforcement Policy Regarding Truth-in-Lending

AGENCY: Federal Trade Commission.

ACTION: Notice of proposed statement of enforcement policy—Regulation Z.

SUMMARY: The Commission proposed a statement of enforcement policy which provides that Truth-in-Lending provisions of final cease and desist orders issued prior to April 1, 1981, will be interpreted and enforced in a manner consistent with the amendments to the law incorporated by the Truth-in-Lending Simplification and Reform Act and Revised Regulation Z. Clarification is needed because the Simplification Act and the revised regulation significantly relax current Truth-in-Lending disclosure requirements on which provisions of more than 300 outstanding FTC orders are based. However, the revised regulation does impose certain additional requirements on creditors. Under the proposed policy statement, Truth-in-Lending provisions of outstanding FTC orders will be interpreted and enforced so as to impose no greater or different disclosure obligations on creditors under order, than are required generally of creditors under the new law. From April 1, 1981, until October 1, 1982, creditors under

order, will have the option of complying with either the order as written, or the regulation as revised by the Simplification Act.

DATES: To ensure consideration, comment must be received on or before: February 22, 1982. Proposed effective date: March 23, 1982.

ADDRESSES: Comments should be mailed to William S. Sanger, Assistant Director for Compliance, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580, or delivered to Suite 1100, 1726 M Street NW., Washington, D.C. between 8:30 a.m. and 5:00 p.m. weekdays.

FOR FURTHER INFORMATION CONTACT: James W. Rudasill, Jr. (202/254–9492) or George T. O'Brien (202/254–6134), Attorneys, Division of Compliance, Federal Trade Commission (BCP/PC), Washington, D.C. 20580.

SUPPLEMENTARY INFORMATION:

Background

The Federal Trade Commission (FTC) has determined that there is a need to clarify the compliance responsibilities under the Truth-in-Lending Simplification and Reform Act (Simplification Act) and revised Regulation Z, of those creditors subject to FTC order which require compliance with provisions of the original statute and current regulation. Pursuant to section 108(c) of the Truth-in-Lending Act (Act), as amended (15 U.S.C. 1601), the FTC has issued more than 300 orders which enjoin various creditors from failing to comply with disclosure requirements of the Act and Regulation Z (12 CFR Part 226).

To address its perceptions of inadequacies in the current law, the Congress adopted the Truth-in-Lending Simplification and Reform Act (Title VI of the Depository Institutions Deregulation and Monetary Control Act of 1980, Pub. L. 96–221, 94 Stat. 168) on March 31, 1980. The Simplification Act is the first statutory amendment to significantly reduce the disclosure requirements placed on creditors under the Truth-in-Lending Act. Although the Simplification Act amendments are not fully effective until October 1, 1982, the Act provides that an implementing revision of Regulation Z be promulgated by the Board of Governors of the Federal Reserve System ("the Board") by April 1, 1981. The Simplification Act further provides that creditors have the option of complying with either the current or the revised regulation until the current regulation expires on October 1, 1982. On that date, compliance with the revised regulation becomes mandatory.

The Board issued its revised Regulation Z (46 FR 20848) on April 1, 1981. In implementing the Simplification Act, the Board has incorporated several regulatory options into its revision of Regulation Z and has added some new disclosure requirements which must be followed. Included among the changes was the Board's decision to completely restructure the current regulation by grouping together all substantive rules for closed-end and open-end credit in separate subparts. Since it has been a standard practice of the Commission staff, during the twelve-year period in which the Act has been in effect, to incorporate specific sectional references to the current regulation in drafting provisions of FTC complaints and orders, nearly all of the sectional references to Regulation Z contained in existing FTC orders have been rendered inaccurate.

Creditors are advised to consult revised Regulation Z, itself, and the supplemental information fully explaining these changes in 46 FR 20848 (April 7, 1981). Copies of the revised regulation may be obtained from the Distribution Branch, Services Division, FTC, 6th & Pennsylvania Avenue, NW., Washington, D.C. 20580, or from Publications, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or from any Federal Reserve Bank. Moreover, the Federal Reserve Board (FRB) has published an interpretative staff commentary to revised Regulation Z which is intended as a substitute for individual interpretations of the regulation. Copies of the staff commentary may be obtained on request from the FRB, at the above address, and it is published at 46 FR 50288 (October 9, 1981).

The proposed statement of enforcement policy has two purposes: First, it provides guidance to creditors subject to outstanding FTC orders as to how they may, consistent with their compliance obligations, take advantage of the changes in the federal consumer credit disclosure requirements. And second, it functions as a cost-effective procedural means by which outstanding FTC Truth-in-Lending orders can be updated to reflect the changes in the current law.

Public Comment

Under the Administrative Procedures Act interpretative rules and statements of policy may be made effective upon publication and do not require public comment. 5 U.S.C. 535(b)(3)(A). In view of the number of orders, creditors, and other interests potentially affected by the proposed enforcement policy statement the Commission has determined that it is appropriate to allow public comment on this action. Thus, all interested parties are requested to submit their views in writing within the specified time-period.

Explanation of Policy Statement

The proposed enforcement policy statement articulates four principles and addresses the compliance obligations of affected creditors within two timeframes. In order to provide creditors an adequate transition period, the current and the revised regulations are concurrently effective from April 1, 1981, until October 1, 1982. During this period, creditors may elect to comply with either the current or the revised regulation. Creditors may begin to comply with revised Regulation Z at any time during the transition period, but they must be in compliance by October 1, 1983. The policy statement sets forth the compliance alternatives of creditors subject to Truth-in-Lending orders during the transition period and after October 1, 1982.

Briefly explained, the enforcement policy statement recognizes that many disclosure requirements imposed by existing FTC Truth-in-Lending orders have been deleted under revised Regulation Z. It clarifies that creditors under order no longer have to make disclosures required by the prior regulation which have been deleted by revised Regulation Z. However, creditors under order cannot take advantage of the simplified regulation's less burdensome disclosure requirements without also complying with the disclosure requirements which it imposes. Accordingly, the policy statement provides that once a creditor elects to comply with the revised regulation, a failure to comply with any new disclosure requirement not within the scope of the order will be considered a *de novo* violation of Sec. 5 of the Federal Trade Commission Act (15 U.S.C. 45, as amended). Creditors under order must continue to comply with any non-Truth-in-Lending requirements of the order which have not been affected by the Simplification Act, or revised Regulation Z.

Because creditors have until October 1, 1982 to commence compliance with revised Regulation Z, the interpretation of Commission orders will depend on whether the creditors elect to continue in compliance with the current order or elect to comply with the revised regulation. During the transition year, if a creditor elects to continue in compliance with the order, the order will be interpreted and enforced as written, and the creditor must continue

to comply with the order even though it may include provisions which have been eliminated under revised Regulation Z. Effective October 1, 1982, all creditors must be in compliance with revised Regulation Z, and at that time all Commission orders will be interpreted consistent with revised Regulation Z.

Staff Clarifications

Although the Commission views the principles articulated in the proposed enforcement policy statement as self-explanatory, the enforcement policy statement provides that any creditor under order may request an informal staff opinion clarifying its obligations thereunder. It indicates, however, that such requests for clarification should not take the form of formal petitions to modify the order. Requests for clarification should be made in writing and addressed to William S. Sanger, Assistant Director for Compliance, Bureau of Consumer Protection, Federal Trade Commission, 6th & Pennsylvania Avenue NW., Washington, D.C. 20580.

PART 14—ADMINISTRATIVE INTERPRETATIONS, GENERAL POLICY STATEMENTS, AND ENFORCEMENT POLICY STATEMENTS

For the reasons set forth above, 16 CFR Part 14, Chapter I, is proposed to be amended by adding a new § 14.16 as follows:

§ 14.16 Interpretation of Truth-in-Lending Orders consistent with the Truth-in-Lending Simplification and Reform Act and Revised Regulation Z.

Introduction. The Federal Trade Commission (FTC) has determined that there is a need to clarify the compliance responsibilities under the Truth-in-Lending Simplification and Reform Act of 1980 (Pub. L. 96–221, 94 Stat. 168) and revised Regulation Z (12 CFR Part 226, 46 FR 20848) of those creditors subject to final cease and desist orders issued prior to April 1, 1981, which require compliance with provisions of the original Truth-in-Lending statute and prior Regulation Z. Clarification is necessary because the Truth-in-Lending Simplification and Reform Act and revised regulation significantly relax prior Truth-in-Lending requirements on which provisions of more than 300 outstanding orders are based. The policy statement provides that the Commission will interpret and enforce Truth-in-Lending provisions of all orders issued prior to April 1, 1981, so as to impose no greater or different disclosure obligations on creditors under order, than are required generally of creditors under the new law.

Policy statement. (a) All cease and desist orders issued by the Federal Trade Commission prior to April 1, 1981, which require compliance with provisions of the Truth-in-Lending Act (Title I, Consumer Credit Protection Act, 15 U.S.C. 1601) and Regulation Z (12 CFR Part 226) will be interpreted and enforced consistent with the amendments to Truth-in-Lending incorporated by the Truth-in-Lending Simplification and Reform Act of 1980, and the revision of Regulation Z implementing the same, promulgated on April 1, 1981 (46 FR 20848) by the Board of Governors of the Federal Reserve System. Likewise, the Federal Reserve Board staff commentary to revised Regulation Z will be read into interpretation of requirements of existing orders, when published in final form.

(b) During the period April 1, 1981, to October 1, 1982, revised Regulation Z and the prior regulation are concurrently effective. Creditors under order may begin complying with the revised regulation at any time during the transition year, but they must be in compliance by October 1, 1982. The compliance alternatives of creditors subject to Commission orders during the transition year and after October 1, 1982, are as follows:

(1) During the transition year, Truth-in-Lending provisions of existing orders will be interpreted as written until such time as the creditor elects to comply with revised Regulation Z.

(2) Any creditor which elects to comply with revised Regulation Z prior to October 1, 1982, must comply with all applicable requirements of the revised regulation. Thus, in any single credit transaction creditors under order cannot take advantage of the simplified regulations' less burdensome disclosure requirements without also complying with the new disclosure requirements.

(3) Effective October 1, 1982, or at any earlier time that a creditor elects to comply with revised Regulation Z, compliance with the simplified credit disclosure requirements will be considered compliance with the existing order; and,

(i) To the extent that revised Regulation Z deletes disclosure requirements imposed by the order, compliance with these requirements may be eliminated; however

(ii) To the extent that revised Regulation Z imposes additional disclosure or format requirements, a failure to comply with the added requirements will be considered a violation of Section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(4) A creditor must continue to comply with all provisions of the order which do not relate to Truth-in-Lending requirements or are unaffected by revised Regulation Z. These provisions are not affected by this policy statement and will remain in full force and effect.

Staff clarifications. The Commission intends that this Enforcement Policy Statement obviate the need for any creditor to file a petition to reopen and modify any affected order under § 2.51 of the Commission rules of practice. However, the Commission recognizes that the policy statement may not provide clear guidance to every creditor under order. The staff of the Division of Compliance, Bureau of Consumer Protection, will respond to written requests for clarification of any order affected by this policy statement.

(Secs. 5, 18, 23; 38 Stat. 719–721, as amended by Pub. L. 96–252, 94 Stat. 374, 376, 390; 15 U.S.C. 45, 57a, 57b–4; Sec. 108(d), 82 Stat. 146, 150, as amended by Pub. L. 96–221, 94 Stat. 168, 15 U.S.C. 1601, 1607d)

Issued: January 7, 1982.

By direction of the Commission.

Carol M. Thomas,

Secretary.

[FR Doc. 82-1547 Filed 1-21-82; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 230, 239, and 274

[Release Nos. 33–6376, IC–12157; File No. S7–919]

Revised Procedures for Processing Post-Effective Amendments Filed by Separate Accounts of Insurance Companies

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rulemaking and amendments to rule and forms.

SUMMARY: The Commission is proposing for public comment a rule permitting most post-effective amendments to registration statements filed by insurance company separate accounts to become effective automatically, without affirmative action on the part of the Commission or its staff. The Commission is taking this action to eliminate staff review of certain routine filings by insurance company separate accounts, and to permit such registrants to assume greater responsibility for their compliance with the disclosure requirements of the Federal securities laws.

Concurrently, the Commission is publishing for comment a proposed amendment to the rule governing automatic effectiveness of post-effective amendments to registration statements filed by registered open-end management investment companies and unit investment trusts, other than