

regulate non-functionally-regulated subsidiaries and reduce the burden on the industry as discussed for the FR Y-11 reports above.

The Federal Reserve Board has approved the proposed changes, with the modifications discussed below, effective for the December 31, 2002, as of date. The Federal Reserve received comment letters from two banking organizations. Both commenters supported the Board's effort to streamline the reporting requirements, create more consistency among all nonbank subsidiary filers, and reduce burden. They also provided other substantive comments that addressed consolidation and confidentiality, as discussed below.

Consolidation

Both commenters suggested that the Board permit nonbank subsidiaries to file consolidated or combined reports for entities engaged in similar activities and or located in the same country. In a change from current FR 2314 reporting requirements, the Federal Reserve proposed that foreign nonbank subsidiaries of U.S. banking organizations (FR 2314 respondents) no longer be permitted to file consolidated reports.

One commenter stated that precluding consolidation of FR 2314 respondents would increase burden. The same commenter indicated that a significant portion of the burden associated with filing legal entity based reports is due to the adjustments to switch financial statements from the accounting principles of their local country to U.S. generally accepted accounting principles (GAAP). The commenter indicated that, under the current consolidated reporting framework, reports based on local country accounting principles could be first consolidated and then converted to U.S. GAAP.

Legal entity data allows supervisors to identify issues more efficiently and effectively, and consolidated data is not as useful because filers consolidate reports inconsistently. Therefore, the Federal Reserve maintains that these respondents must file on a legal entity basis. To further reduce burden, FR 2314 respondents filing reports on a legal-entity basis will not be required to follow U.S. GAAP, as initially proposed. Respondents will be encouraged to follow U.S. GAAP but will continue to have the option to file reports based on local country accounting principles. Also, FR 2314 respondents that currently consolidate data will be permitted to report on a consolidated basis for December 2002 and March

2003 reporting periods to allow time to adjust their systems.

In addition, the initially proposed thresholds will be raised to reduce burden. Specifically, the threshold for abbreviated reporting will be raised from \$100 million in total assets to \$250 million and the exemption level (i.e., below which no report is required) will be raised from \$20 million in total assets to \$50 million. This is consistent with the new FR Y-11S and FR Y-7NS thresholds discussed above.

Confidentiality

One commenter suggested that the FR 2314 reports remain confidential, citing that disclosure of this information would likely be harmful to the competitive position of the reporting entities. As initially proposed, the FR 2314 respondents will no longer be accorded confidential treatment. Eliminating confidential treatment for the FR 2314 respondents is consistent with the goals of the Federal Reserve to increase public availability of regulatory reports, enhancing data transparency and market discipline. However, the Federal Reserve may grant confidential treatment, in whole or part, on a case-by-case basis if requested and justified by the respondent.

Other Comments

One commenter suggested that the Federal Reserve allow electronic filing of the FR 2314. The Federal Reserve is investigating ways to allow the electronic submission of the FR 2314 at some point in the future and will notify respondents when this option becomes available.

Board of Governors of the Federal Reserve System, December 3, 2002.

Jennifer J. Johnson

Secretary of the Board.

[FR Doc. 02-30971 Filed 12-6-02; 8:45 am]

BILLING CODE 6210-01-S

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisition of Shares of Bank or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the office of the Board of Governors.

Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than December 23, 2002.

A. Federal Reserve Bank of

Philadelphia (Michael E. Collins, Senior Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105-1521:

1. *Betsy Z. Cohen; Edward E. Cohen; Daniel G. Cohen*, all of Philadelphia, Pennsylvania, and Jonathan Z. Cohen, New York, New York; to retain voting shares of TheBancorp, Inc., Wilmington, Delaware, and thereby indirectly retain voting shares of TheBancorp Bank, Wilmington, Delaware.

Board of Governors of the Federal Reserve System, December 3, 2002.

Robert deV. Frierson,

Deputy Secretary of the Board.

[FR Doc. 02-30972 Filed 12-6-02; 8:45 am]

BILLING CODE 6210-01-S

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