



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC PROPOSES TO DISCLOSE NOTICES OF CHANGES IN BANK CONTROL

Individuals who intend to acquire a controlling interest in a state nonmember bank would have to satisfy new public notification requirements under a rule proposed by the Federal Deposit Insurance Corporation.

The Change in Bank Control Act of 1978 requires persons proposing to acquire a bank to file a notice of their intentions with the FDIC. The FDIC's proposed regulation would require persons who have filed such notices to publish an announcement of the FDIC's acceptance of the notice in a newspaper circulated where the bank is located. The FDIC's proposal would enable the public to gain access to certain information from accepted notices. Finally, the FDIC would expand the routine uses of data on consummated changes in bank control.

The FDIC's proposed rules are designed to increase the amount of timely and useful information available to the public and increase the FDIC's sources of information in connection with its statutory review of acquisitions and changes in control. The FDIC believes that the benefits gained from disclosing proposed changes in control outweigh the risks of interfering with competitive market factors. The policy will enable the FDIC to more effectively prevent dishonest and unqualified people from acquiring control of a federally insured state nonmember bank.

Interested individuals may send their comments on the proposed disclosure rules to Hoyle L. Robinson, Executive Secretary, Room 3008I, 550 17th Street, N.W., Washington, D.C. 20429. Comments must be received at the above address no later than 30 days after the proposed rules are published in the Federal Register. A copy of the proposed rules is available from the FDIC Corporate Communications Office, 550 17th St., N.W., Room 3045, Washington, D.C. 20429.

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