

RESCINDED

Office of Thrift Supervision
Department of the Treasury

July 20, 2010

Transmittal
TR-456

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Federal Register, Vol. 75, No. 118, pp. 35030-35033

Number TR-456

On June 21, 2010, the Federal Reserve Board issued a notice of public hearings regarding potential revisions to Regulation C, Home Mortgage Disclosure Act.

mark your electronic mail, letter, or fax and the subject line, envelope, or fax cover sheet "Privacy Act Request" in accordance with the procedures set forth in 12 CFR part 1204.

RECORD ACCESS PROCEDURES:

Direct requests to access, amend, or correct a record to the Privacy Act Officer, Federal Housing Finance Agency, 1625 Eye Street, NW., Washington, DC 20006, in accordance with the procedures set forth in 12 CFR part 1204.

CONTESTING RECORD PROCEDURES:

Direct requests to contest or appeal an adverse determination for a record to the Privacy Act Appeals Officer, Federal Housing Finance Agency, 1700 G Street, NW., Washington, DC 20552, in accordance with the procedures set forth in 12 CFR part 1204.

RECORD SOURCE CATEGORIES:

The information is obtained from the regulated entities.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

Some information in this system that is investigatory and compiled for law enforcement purposes is exempt under subsection 552a(k)(2) of the Privacy Act to the extent that information within the system meets the criteria of that subsection of the Privacy Act. The exemption is necessary in order to protect information relating to law enforcement investigations and interference with investigatory and law enforcement activities. The exemption will preclude subjects of investigations from frustrating investigations, will avoid disclosure of investigative techniques, will protect the identities and safety of confidential informants and of law enforcement personnel, will ensure FHFA's ability to obtain information from various sources, will protect the privacy of third-parties, and will safeguard sensitive information.

Some information contained in this system of records may be proprietary to other Federal agencies and subject to exemptions imposed by those agencies, including the criminal law enforcement investigatory material exemption of 5 U.S.C. 552a(j)(2).

[FR Doc. 2010-14912 Filed 6-18-10; 8:45 am]

BILLING CODE 8070-01-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 applications 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 July 16, 2010.

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

1. *CapGen Capital Group V LLC and CapGen Capital Group V LP, both of New York, New York*; to become bank holding companies through the acquisition of up to 49.9 percent of the voting securities of Palmetto Bancshares, Inc., Greenville, South Carolina, and indirectly acquire The Palmetto Bank, Greenville, South Carolina.

B. Federal Reserve Bank of Atlanta (Clifford Stanford, Vice President) 1000 Peachtree Street, N.E., Atlanta, Georgia 30309:

1. *BancTenn Corp., Kingsport Tennessee*; to acquire up to 20 percent of the outstanding shares of Paragon Commercial Corporation, and its subsidiary, Paragon Commercial Bank, both of Raleigh, North Carolina.

Board of Governors of the Federal Reserve System, June 16, 2010.

Robert deV. Frierson,
Deputy Secretary of the Board.

[FR Doc. 2010-14885 Filed 6-18-10; 8:45 am]

BILLING CODE 6210-01-S

FEDERAL RESERVE SYSTEM

[Docket No. OP-1388]

RIN 7100-AD51

Home Mortgage Disclosure Act; Notice of Hearings

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice of public hearings; request for comment.

SUMMARY: The Federal Reserve Board will conduct four public hearings on potential revisions to the Board's Regulation C, which implements the Home Mortgage Disclosure Act (HMDA). HMDA requires mortgage lenders to provide detailed information about their mortgage lending activity to federal agencies and the public. Consumers, consumer advocacy organizations, mortgage lenders, and other interested parties will be invited to participate in the hearings. The Board also invites members of the public to attend the hearings and to comment on the issues that will be the focus of the hearings. Additional information about the hearings will be posted to the Board's Web site at <http://www.federalreserve.gov>.

DATES: The hearings are scheduled as follows.

Thursday, July 15, 2010: Federal Reserve Bank of Atlanta, 1000 Peachtree Street, NE., Atlanta, GA 30309, 8 a.m. to 1 p.m.

Thursday, August 5, 2010: Federal Reserve Bank of San Francisco, 101 Market Street, San Francisco, CA 94105, 8 a.m. to 1 p.m.

Thursday, September 16, 2010: Federal Reserve Bank of Chicago, 230 South LaSalle St., Chicago, IL 60604, 8 a.m. to 1 p.m.

Friday, September 24, 2010: Federal Reserve Board, 20th Street and Constitution Avenue, NW., Washington, DC 20551, 8 a.m. to 3:30 p.m.

Comments from persons unable to attend the hearings or otherwise wishing to submit written views on the issues raised in this notice must be received by August 20, 2010.

ADDRESSES: You may submit comments, identified by Docket No. OP-1388, by any of the following methods:

- *Agency Web Site:* <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

• *E-mail:*
regs.comments@federalreserve.gov.
 Include the docket number in the subject line of the message.

• *Fax:* (202) 452-3819 or (202) 452-3102.

• *Mail:* Address to Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

All public comments will be made available on the Board's Web site at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm> as submitted, unless modified for technical reasons. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room MP-500 of the Board's Martin Building (20th and C Streets, NW.) between 9 a.m. and 5 p.m. on weekdays.

FOR FURTHER INFORMATION CONTACT:

Jennifer S. Benson, Jamie Z. Goodson, or Maureen C. Yap, Attorneys, Paul Mondor, Senior Attorney, or John C. Wood, Counsel, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551, at (202) 452-2412 or (202) 452-3667. For users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263-4869.

SUPPLEMENTARY INFORMATION:

I. Background

A. HMDA and Regulation C

The Home Mortgage Disclosure Act (HMDA), 12 U.S.C. 2801 *et seq.*, enacted in 1975, requires depository institutions and certain for-profit, nondepository institutions to collect, report to federal agencies, and disclose to the public data about originations and purchases of home mortgage loans (home purchase and refinancing) and home improvement loans, as well as loan applications that do not result in originations (for example, applications that are denied or withdrawn). HMDA has three purposes. First, HMDA data can be used to help determine whether institutions are serving the housing needs of their communities. Second, HMDA data can help public officials target public investment to attract private investment where it is needed. Third, HMDA data can assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.

The Board's Regulation C implements HMDA. See 12 CFR Part 203. The information reported under Regulation C includes, among other items:

Application date; loan type, purpose, and amount; property location and type; race, ethnicity, sex, and annual income of the loan applicant; action taken on the loan application (approved, denied, withdrawn, etc.), and date of that action; whether the loan is covered by the Home Ownership and Equity Protection Act (HOEPA); lien status (first lien, subordinate lien, or unsecured); and certain loan price information.

Institutions report HMDA data to their supervisory agencies on an application-by-application basis using a register format. Institutions must make their loan/application registers available to the public, with certain fields redacted to preserve applicants' privacy. The Federal Financial Institutions Examination Council, on behalf of the supervisory agencies, compiles the reported data and prepares an individual disclosure statement for each institution, aggregate reports for all covered institutions in each metropolitan area, and other reports. These disclosure statements and reports are also available to the public.

B. Prior Revisions to Regulation C

HMDA and Regulation C have been amended numerous times since they were adopted in 1975. The Board last conducted a comprehensive review of Regulation C in 2002. See 67 FR 7222, February 15, 2002; 67 FR 30771, May 8, 2002; and 67 FR 43218, June 27, 2002. The 2002 revisions to Regulation C were intended to facilitate fair lending analysis and enhance understanding of the home mortgage market generally and the subprime market in particular. In adopting changes to Regulation C, the Board carefully considered changes that had occurred in the home mortgage market, including the growth of subprime lending.

Among other things, the 2002 revisions to Regulation C:

- Required lenders to report pricing information for higher-priced mortgage loans;
- Required lenders to identify loans subject to HOEPA;
- Required lenders to report denials of applications received through certain preapproval programs and permitted lenders to report requests for preapproval that are approved but not accepted;
- Expanded the coverage of nondepository lenders by adding a loan origination dollar-volume threshold of \$25 million;
- Required lenders to report whether a loan involves a manufactured home; and

- Required lenders to ask applicants their ethnicity, race, and sex in applications taken by telephone.

In 2008, the Board amended Regulation C to revise the rules for reporting price information on higher-priced mortgage loans. See 73 FR 63329, October 24, 2008. These revisions conformed Regulation C requirements to the definition of "higher-priced mortgage loan" adopted by the Board under Regulation Z (Truth in Lending) in July 2008. The Regulation C revisions required lenders to report the spread between a loan's annual percentage rate and a survey-based estimate of annual percentage rates currently offered on prime mortgage loans of a comparable type if the spread is equal to or greater than 1.5 percentage points for a first-lien loan or 3.5 percentage points for a subordinate-lien loan.

II. Information About the Hearings

The hearings are open to the public. Seating will be limited, however. Visitors will be required to register in advance for security purposes.

All hearings will include panel discussions by invited speakers. Other members of the public may deliver oral statements of five minutes or less during an "open-mike" period. Written statements of any length may be submitted for the record by submitting comments in accordance with the instructions above.

Information on registration to attend the hearings, registration to deliver an oral statement, and other information about the hearings, as it becomes available, will be posted on the Board's Web site at <http://www.federalreserve.gov>.

III. Hearings Topics and Request for Comment

The hearings will serve three objectives. First, the Board will gather information to evaluate the effectiveness of the 2002 revisions to Regulation C in providing useful and accurate information about the mortgage market. Second, the hearings will provide information that will assist the Board in its pending review of Regulation C and help assess the need for additional data. Third, the hearings will help identify emerging issues in the mortgage market that may warrant additional research.

The hearings' panel discussions will focus on, and the Board solicits public comment on, the matters described below. The Board asks that commenters address the importance or utility of particular information in light of the purposes of HMDA and the burdens and possible privacy risks associated with

collecting and reporting that information.

A. Data Elements

As part of its review of Regulation C, the Board is seeking to identify ways to improve the quality and usefulness of HMDA data. The Board therefore is considering whether any data elements should be added, modified, or deleted.

For example, Regulation C currently does not require lenders to submit information on several factors lenders routinely use to make credit decisions and set loan prices. These factors include information about the borrower's creditworthiness and loan-to-value and debt-to-income ratios. Regulation C also currently does not require lenders to submit other information that some HMDA data users and others have identified as potentially useful, such as an applicant's age and a loan's originator channel (*i.e.*, whether a loan is originated directly by the lender or through a third party originator such as a mortgage broker or correspondent). In addition, Regulation C currently requires lenders to report rate spread data only for higher-priced mortgage loans.

Some HMDA data users and others believe that collecting additional information would improve the usefulness of HMDA data in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes. On the other hand, the Board recognizes that requiring institutions to report additional data elements would increase reporters' compliance burden and costs and could pose risks to consumers' privacy.

In addition, Regulation C currently requires lenders to report only the amount of an applicant's income relied on in processing the application. Because lenders report only income they relied on in considering an application, HMDA data users cannot distinguish low- or moderate-income applicants from higher-income applicants who rely on only a portion of their income for purposes of their loan applications. Some HMDA data users and others have suggested that HMDA data would be more useful for determining whether institutions serve the housing needs of low- and moderate-income individuals if lenders were required to collect and report each applicant's total income, rather than just that relied on.

The Board recognizes, however, that it may be difficult to measure total income in a way that generates consistent, meaningful data because lenders may not collect information on applicants' total income in all cases. For example,

an applicant may qualify for a particular loan on the basis of salary alone, and therefore may not provide the lender with information on other sources of income, such as an annual bonus, investment income, or alimony. Income sources that are included on an application would be easier for lenders to report but would not necessarily provide reliable information. To the extent lenders do not rely on such income they likely would not have verified it, possibly rendering such data of only questionable utility. Requiring lenders to collect and report total income information would increase reporters' compliance burden and costs.

The Board requests comment on the following questions:

- What, if any, additional data should be collected? What are the benefits, costs, and privacy issues associated with requiring lenders to report, for example: (i) Underwriting data such as borrower's credit score, loan-to-value ratio, combined loan-to-value ratio (*i.e.*, including both the reported loan and other debts), and borrower's debt-to-income ratio; (ii) borrower's age; (iii) loan originator channel; and (iv) rate spreads for all loans, instead of only for higher-priced loans?

- Should any existing data elements be modified? If so, how? For example, what are the benefits, costs, and privacy issues associated with requiring lenders to report total income, rather than income relied on by the lender?

- Should any existing data elements be eliminated? Why?

B. Coverage and Scope

Coverage

Regulation C currently requires depository institutions (*i.e.*, banks, savings associations, and credit unions) and for-profit mortgage lenders to submit HMDA data if they meet criteria set forth in the rule. Whether a depository institution or other mortgage lender is required to report depends on its size, the extent of its business in a metropolitan statistical area, and the extent to which it engages in residential mortgage lending. Some HMDA data users and others believe that other types of institutions, such as mortgage brokers and non-lender loan purchasers, also should be required to collect and report HMDA data. The Board requests comment on the following questions:

- Should mortgage brokers and non-lender loan purchasers be required to report HMDA data? Should other types of institutions be required to report? If so, which types?

- Should any types of institutions be exempt from reporting?

- Should the rules governing who must collect and report HMDA data be revised in other ways? If so, how?

Scope

Regulation C currently requires lenders to report information about home purchase loans, home improvement loans, and refinancings of home purchase loans. The Board requests comment on the following questions:

- Should any other types of mortgage loans be reported?

- Should any types of mortgage loans be excluded from reporting?

- Should the rules governing which mortgage loans are subject to reporting be revised in other ways? If so, how?

C. Preapproval Programs

Regulation C currently requires lenders to collect and report data regarding requests under a preapproval program if the preapproval request is denied; preapproval requests that are approved but not accepted may be reported at the lender's option. Regulation C defines a preapproval program as a program in which a lender, after a comprehensive review of the creditworthiness of the applicant, issues a written commitment to the applicant valid for a designated period of time to extend a home purchase loan up to a specified amount. Questions have been raised regarding whether lenders use preapproval programs as defined by Regulation C and whether there is a clear benefit to requiring lenders to report on these programs. The Board also is aware that some lenders may have difficulty applying the definition of preapproval program and determining when this requirement applies. In addition, lenders that do understand the definition may evade the reporting requirements, such as by communicating preapproval decisions orally.

The Board requests comment on the following questions:

- Do lenders use preapproval programs as defined by Regulation C?

- Is there a benefit to requiring lenders to report on these programs?

- How could the definition of preapproval program be modified to be easier to apply and to make reporting more useful?

D. Compliance and Technical Issues

The Board among other things seeks to clarify and simplify Regulation C in order to facilitate compliance and resolve technical issues. The Board requests comment on the following questions:

- What are the most common compliance issues institutions face under HMDA and Regulation C?
- What parts of Regulation C would benefit from clarification or additional guidance?
- Are there technical issues regarding Regulation C that should be resolved?

E. Other Issues

As part of its review of Regulation C, the Board is seeking to identify emerging issues in the mortgage market that may warrant additional research, respond to technological and other developments, reduce undue regulatory burden on industry, and delete obsolete provisions. The Board therefore requests comment on any emerging issues likely to affect the usefulness and accuracy of HMDA data and on any other changes to Regulation C the Board should consider.

By order of the Board of Governors of the Federal Reserve System, June 15, 2010.

Jennifer J. Johnson,
Secretary of the Board.

[FR Doc. 2010-14904 Filed 6-18-10; 8:45 am]

BILLING CODE 6210-01-P

FEDERAL TRADE COMMISSION

[File No. 081 0157]

U-Haul International, Inc. and AMERCO; Analysis of Agreement Containing Consent Order to Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed Consent Agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint and the terms of the consent order — embodied in the consent agreement — that would settle these allegations.

DATES: Comments must be received on or before July 9, 2010.

ADDRESSES: Interested parties are invited to submit written comments electronically or in paper form. Comments should refer to “U-Haul AMERCO, File No. 081 0157” to facilitate the organization of comments. Please note that your comment — including your name and your state — will be placed on the public record of this proceeding, including on the publicly accessible FTC website, at (<http://www.ftc.gov/os/publiccomments.shtml>).

Because comments will be made public, they should not include any sensitive personal information, such as an individual’s Social Security Number; date of birth; driver’s license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. Comments also should not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, comments should not include any “[t]rade secret or any commercial or financial information which is obtained from any person and which is privileged or confidential. . . .” as provided in Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and Commission Rule 4.10(a)(2), 16 CFR 4.10(a)(2). Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled “Confidential,” and must comply with FTC Rule 4.9(c), 16 CFR 4.9(c).¹

Because paper mail addressed to the FTC is subject to delay due to heightened security screening, please consider submitting your comments in electronic form. Comments filed in electronic form should be submitted by using the following weblink: (<https://public.commentworks.com/ftc/U-HaulAmerco>) and following the instructions on the web-based form. To ensure that the Commission considers an electronic comment, you must file it on the web-based form at the weblink: (<https://public.commentworks.com/ftc/U-HaulAmerco>). If this Notice appears at (<http://www.regulations.gov/search/index.jsp>), you may also file an electronic comment through that website. The Commission will consider all comments that regulations.gov forwards to it. You may also visit the FTC website at (<http://www.ftc.gov/>) to read the Notice and the news release describing it.

A comment filed in paper form should include the “U-Haul AMERCO, File No. 081 0157” reference both in the text and on the envelope, and should be mailed or delivered to the following address: Federal Trade Commission, Office of the Secretary, Room H-135 (Annex D), 600 Pennsylvania Avenue, NW, Washington, DC 20580. The FTC is requesting that any comment filed in

¹ The comment must be accompanied by an explicit request for confidential treatment, including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission’s General Counsel, consistent with applicable law and the public interest. See FTC Rule 4.9(c), 16 CFR 4.9(c).

paper form be sent by courier or overnight service, if possible, because U.S. postal mail in the Washington area and at the Commission is subject to delay due to heightened security precautions.

The Federal Trade Commission Act (“FTC Act”) and other laws the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives, whether filed in paper or electronic form. Comments received will be available to the public on the FTC website, to the extent practicable, at (<http://www.ftc.gov/os/publiccomments.shtml>). As a matter of discretion, the Commission makes every effort to remove home contact information for individuals from the public comments it receives before placing those comments on the FTC website. More information, including routine uses permitted by the Privacy Act, may be found in the FTC’s privacy policy, at (<http://www.ftc.gov/ftc/privacy.shtml>).

FOR FURTHER INFORMATION CONTACT:

Dana Abrahamsen (202-326-2906), Bureau of Competition, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580.

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46(f), and § 2.34 the Commission Rules of Practice, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of thirty (30) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for June 9, 2010), on the World Wide Web, at (<http://www.ftc.gov/os/actions.shtml>). A paper copy can be obtained from the FTC Public Reference Room, Room 130-H, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580, either in person or by calling (202) 326-2222.

Public comments are invited, and may be filed with the Commission in either paper or electronic form. All comments should be filed as prescribed in the **ADDRESSES** section above, and must be received on or before the date specified in the **DATES** section.