DATE: March 13, 2003

SUBJECT: Proposed rule with request for public comments Regulation Y, Bank Holding Companies and Change in Bank Control (Docket No. R-1146)

HIGHLIGHTS: The Federal Reserve Board has requested public comment on a proposal to modify a condition in the Board's Regulation Y in order to allow bank holding companies engaged in permissible derivatives activities to transfer title to commodities underlying derivative contracts on an instantaneous, pass-through basis.

The Board will publish its proposed rule in the Federal Register shortly. Comment is requested by April 21, 2003.

DOCUMENT LOCATION: The March 11, 2003 press release/notice is available under the Board of Governors' web site:

FURTHER INFORMATION: Dennis Blase, Assistant Vice President, (314) 444-8435 (or 1-800-333-0810, ext. 44-8435) Banking Supervision and Regulation Department