

FEDERAL RESERVE BANK OF SAN FRANCISCO  
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA 94105

March 26, 2003

**BANKING SUPERVISION AND REGULATION:  
REGULATION Y: REQUEST FOR COMMENT**

To State Member Banks, Bank  
Holding Companies, U.S. Branches  
and Agencies of Foreign Banks,  
and Others Concerned,  
in the Twelfth Federal Reserve District

**Request for Comment on Regulation Y (R-1146)**

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

The proposed rule was published in the *Federal Register* on March 14, 2003. Comment is requested by April 21, 2003.

**Additional Information**

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's Internet site, at <http://www.frbsf.org/banking/letters>. Paper copies of the Board's notice (**Docket R-1146**) are available from our Corporate Services Department. To request copies to be sent by mail, please call (415) 974-2060.

For additional information about the proposal to Regulation Y, please contact our Banking Supervision and Regulation Department at (415) 974-3013.

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