

Regulation, (202) 452-2743, Board of Governors of the Federal Reserve System, 20th and C Streets NW, Washington, DC 20551.

FDIC: Dan Austin, Review Examiner, Division of Supervision, (202) 898-6774, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington DC 20429.

OTS: Richard Stearns, Deputy Chief Counsel, Office of Enforcement, (202) 906-7966, Office of Thrift Supervision, 1700 G Street NW, Washington, DC 20552.

NCUA: John Ianno, Senior Trial Attorney, Office of General Counsel, (703) 518-6540, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428.

SUPPLEMENTARY INFORMATION: The FFIEC Task Force on Supervision, acting under delegated authority, is giving notice that it has revised its 1980 CMP Policy (45 FR 59423; Sept. 9, 1980). The revised policy statement, published in full text later in this **Federal Register** notice, updates the 1980 CMP Policy. The revised policy statement:

(1) Specifies the factors the agencies should take into consideration in deciding whether, and in what amounts, to initiate civil money penalty proceedings;

(2) Eliminates references to interagency coordination of civil money penalty proceedings, because such coordination is addressed in a separate interagency policy (FFIEC, Interagency Coordination of Formal Corrective Action by the Federal Bank Regulatory Agencies);

(3) Eliminates references to the statutes authorizing the agencies to initiate civil money penalty proceedings or the authority pursuant to the statutes;

(4) Eliminates references to the agencies' rules of practice and procedure for civil money penalty proceedings; and

(5) Specifies that the amount of a civil money penalty may be greater than the economic gain in order to deter future misconduct.

The FFIEC Task Force on Supervision, acting under delegated authority, has recommended that the agencies adopt, through separate actions, the revised policy statement.

The revised policy statement reads as follows:

Interagency Policy Regarding the Assessment of Civil Money Penalties by the Federal Financial Institutions Regulatory Agencies

This supervisory policy provides general guidance concerning the criteria used by the Federal financial institutions regulatory agencies

(agencies) in the assessment of civil money penalties under statutes that require consideration of the five following factors in setting the amount of fines:¹

- (1) Size of financial resources;
- (2) Good faith;
- (3) Gravity of the violation;
- (4) History of previous violations; and
- (5) Other factors that justice may require.

The principles set forth in this policy apply to penalties assessed both by consent and through formal enforcement proceedings.

The agencies generally are authorized, under these statutes, to assess civil money penalties for violations of:

- (1) Any law or regulation;
- (2) Any final or temporary order, including a cease and desist, suspension, removal, or prohibition order;
- (3) Any condition imposed in writing in connection with the grant of any application or other request;
- (4) Any written agreement; and
- (5) Regulatory reporting requirements.

Under certain circumstances, the agencies may also assess fines for unsafe or unsound practices and breaches of fiduciary duty.

In determining the amount and the appropriateness of initiating a civil money penalty assessment proceeding under statutes requiring consideration of the above-mentioned five statutory factors,² the agencies have identified the following factors as relevant:

(1) Evidence that the violation or practice or breach of fiduciary duty was intentional or was committed with a disregard of the law or with a disregard of the consequences to the institution;

(2) The duration and frequency of the violations, practices, or breaches of fiduciary duty;

(3) The continuation of the violations, practices, or breach of fiduciary duty after the respondent was notified or, alternatively, its immediate cessation and correction;

(4) The failure to cooperate with the agency in effecting early resolution of the problem;

(5) Evidence of concealment of the violation, practice, or breach of fiduciary duty or, alternatively, voluntary disclosure of the violation, practice or breach of fiduciary duty;

¹ See generally 12 U.S.C. 1786(k)(2)(G) and 1818(i)(2)(G).

² Some federal laws authorizing the Federal financial institutions regulatory agencies to assess fines, such as the civil money penalty provisions of section 102(f) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(f), and section 21B of the Securities Exchange Act of 1934, 15 U.S.C. 78u-2, do not require the consideration of the five statutory factors.

(6) Any threat of loss, actual loss, or other harm to the institution, including harm to the public confidence in the institution, and the degree of such harm;

(7) Evidence that a participant or his or her associates received financial gain or other benefit as a result of the violation, practice, or breach of fiduciary duty;

(8) Evidence of any restitution paid by a participant of losses resulting from the violation, practice, or breach of fiduciary duty;

(9) History of prior violation, practice, or breach of fiduciary duty, particularly where they are similar to the actions under consideration;

(10) Previous criticism of the institution or individual for similar actions;

(11) Presence or absence of a compliance program and its effectiveness;

(12) Tendency to engage in violations of law, unsafe or unsound banking practices, or breaches of fiduciary duty; and

(13) The existence of agreements, commitments, orders, or conditions imposed in writing intended to prevent the violation, practice, or breach of fiduciary duty.

The agencies will give additional consideration in cases where the violation, practice, or breach causes quantifiable, economic benefit or loss. In those cases, removal of the benefit or recompense of the loss usually will be insufficient, by itself, to promote compliance with statutory and regulatory requirements. The penalty amount should reflect a remedial purpose and should provide a deterrent to future misconduct.

The agencies intend these factors to provide guidance on the appropriateness of a civil money penalty, in a manner consistent with the statutes authorizing such an action. This policy does not preclude any agency from considering any other matter relevant to the civil money penalty assessment.

Dated: May 28, 1998.

Keith Todd,

Acting Executive Secretary, Federal Financial Institutions Examination Council.

[FR Doc. 98-14611 Filed 6-2-98; 8:45 am]

BILLING CODE 6210-01-P, 6720-01-P, 6714-01-P, 4810-33-P, 7535-01-P

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Field

The Commission hereby gives notice of the filing of the following

agreement(s) under the Shipping Act of 1984.

Interested parties can review or obtain copies of agreements at the Washington, DC offices of the Commission, 800 North Capitol Street, N.W., Room 962. Interested parties may submit comments on an agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days of the date of this notice appears in the **Federal Register**.

Agreement No.: 203-011623.

Title: APL/MOL/HMM Asia-U.S.

Atlantic Coast Space Sharing Agreement.

Parties:

American President Lines, Ltd.

("APL")

APL Co. PTE Ltd. ("APL")

Mitsui O.S.K. Lines, Ltd. ("MOL")

Hyundai Merchant Marine Co., Ltd.

("HMM")

Synopsis: The proposed agreement authorizes the parties to charter space to and from each other, coordinate sailings, cooperate in the use of equipment and terminals, and reach voluntary agreement on rates, terms and conditions of service contracts and tariffs in the trade between ports in the Far East and ports on the Atlantic and Gulf Coasts of the United States, Puerto Rico, and the U.S. Virgin Islands, and points in the United States via those ports.

Dated: May 28, 1998.

By Order of the Federal Maritime Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 98-14619 Filed 6-2-98; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL MARITIME COMMISSION

[Docket No. 98-07]

CTM International, Inc. v. Medtech Enterprises, Inc. and Mr. Xin Liu; Notice of Filing of Complaint and Assignment

Notice is given that a complaint filed by CTM International, Inc. ("Complainant") against Medtech Enterprises, Inc. and Mr. Xin Liu ("Respondents") was served May 28, 1998. Complainant alleges that Respondents violated section 10(a)(1) of the Shipping Act of 1984, 46 U.S.C. app. section 1709(a)(1), by issuing a bad check or issuing a check upon which payment was subsequently stopped in order to induce release of cargo, and thereafter failing to remit the ocean freight and other charges due and payable for two shipments of used

medical equipment from New York to Xingang, China.

This proceeding has been assigned to the office of Administrative Law Judges. Hearing in this matter, if any is held, shall commence within the time limitations prescribed in 46 CFR 502.61, and only after consideration has been given by the parties and the presiding officer to the use of alternative forms of dispute resolution. The hearing shall include oral testimony and cross-examination in the discretion of the presiding officer only upon proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matter in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record. Pursuant to the further terms of 46 CFR 502.61, the initial decision of the presiding officer in this proceeding shall be issued by May 28, 1999, and the final decision of the Commission shall be issued by September 29, 1999.

Joseph C. Polking,

Secretary.

[FR Doc. 98-14620 Filed 6-2-98; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR part 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, DC 20573.

Cargo U.K., Inc., 4790 Aviation Parkway, Atlanta, GA 30349, *Officers:* Roger H. Botting, President

Southeast Logistics, 122 Agape Street, Williamson, GA 30292, Pat Owen, Sole Proprietor

Ocean's Freight, Inc., 2664 West 70th Place, Hialeah, FL 33016, *Officer:* Luis Miguel Boscan, President

Dated: May 28, 1998.

Joseph C. Polking,

Secretary.

[FR Doc. 98-14621 Filed 6-2-98; 8:45 am]

BILLING CODE 6730-01-M

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. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

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 June 29, 1998.

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. *Larch Bancorporation, Inc.*, Larchwood, Iowa; to merge with Exchange State Bancorporation, Inc., Hills, Minnesota, and thereby indirectly acquire Exchange State Bank of Hills, Hills, Minnesota.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *Union Planters Corporation*, Memphis, Tennessee, and its wholly owned subsidiary, Union Planters Holding Corporation, Memphis, Tennessee; to acquire 100 percent of the voting shares of Transflorida Bank, Boca Raton, Florida.

C. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *AmCorp Financial, Inc.*, Ardmore, Oklahoma; to acquire 100 percent of the