

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

HOUSE COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Rep. Bob Pavlovich, on February 8, 1989, at
8:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: None

EXECUTIVE ACTION

DISPOSITION OF HOUSE BILL 151

Motion: Rep. Thomas moved DO PASS.

Amendments, Discussion, and Votes: Rep. DeMars, chairman of the
sub-committee, went over all of the amendments to HB 151.

Rep. Thomas explained what each amendment would do to the
bill.

Rep. Simon had questions about amendments 3, 4, and 5. Rep.
Simon asked Rep. Thomas when we say a bank must offer all
services, what is an all bank services under this
definition? Would a branch have to have all the kinds of
service like escrow and safe deposit boxes? Rep. Thomas
said the bill provides that a branch must offer all services
which are offered by the main banking house. The issue you
addressed in the Libby bank, if they don't have safe deposit
boxes, they would not have to offer them at a Troy branch.

Rep. Glaser said safe deposit is one of the major services a
bank has, we discussed the difference between a teller
machine and the bank this is very important. Rep. Thomas
asked if a service is not offered at the main bank now what
does it matter? It is up to that bank. The amendment says
that if it is offered at the main bank, they have to offer
it at a branch.

Rep. Thomas said the amendments were to make the language
work and be constructive, not destructive.

Rep. Thomas moved DO PASS. The amendments DO PASS 10-6 vote.

Rep. Glaser said one bill is a consumer bill and we are talking about what is in the best interest of the consumer and the other is a banker bill and we are talking about what is in the best interest of the banker. The bankers that are for HB 151 came in and prevented Troy from having a bank of their own in December by saying we are going to have a bill in January that is going to allow us to do this, so you can't put a new bank in Troy. You are talking about two different bills, one is for the consumer, the other is for the bankers.

Recommendation and Vote: HB 151 DO PASS as amended 9-7 vote.

DISPOSITION OF HOUSE BILL 191

Motion: Rep. Glaser moved DO PASS as amended.

Amendments, Discussion, and Votes: Rep. Thomas read each amendment to the bill.

Rep. Glaser said because there apparently isn't an advocate for HB 191 on the sub-committee I don't object to Mr. Tippy explaining the amendments because I don't see one sub-committee member talking for Mr. Tippy's point of view. Rep. Bachini said our intention was to let both bills go to the house and let you people determine whether you want either one. You can't work HB 151 into HB 191. If you are going to do anything you have to work with HB 151. It is up to the committee if you want to pass both bills out or not but that was our opinion in the sub-committee that we let both bills go out as do pass. Rep. Thomas said it was his intention of course, as I had already ask Roger to explain these amendments in more detail. It is not my intention to ask anyone else to speak on the other amendments. In no way am I speaking for the big banks. Roger Tippy then explained what each amendment meant and what it changed in the bill.

Recommendation and Vote: HB 191 DO PASS as amended with the statement of intent 12-4 vote.

HEARING ON HOUSE BILL 556

Presentation and Opening Statement by Sponsor:

Rep. Cocchiarella stated that this is a consumer protection bill. It requires the commissioner of insurance to provide by rule for disclosure of interest rates applicable to life insurance policies. This requires the agent to disclose what the interest rates will be to the consumer before they buy the policy.

Testifying Proponents and Who They Represent:

None

Proponent Testimony:

None

Testifying Opponents and Who They Represent:

Larry Akey, Montana Insurance Life Underwriters
Pat Driscoll, American Council of Life Insurance

Opponent Testimony:

Mr. Akey stated that they oppose this bill for three basic reasons. First, there is no problem out there that this bill needs to address; second, if there is a problem HB 556 is not the way to fix it; and third, HB 556 may do exactly the opposite of what the proponents are suggesting they are out to do for the consumer.

First, is there a problem? We would submit that there is an existing statute in the administrative rules permitting disclosure and showing that this bill is not needed. Under existing rules today, an agent is required to disclose, before he can sell a policy, the annual premium for the basic policy, the annual premium for any optional riders, the guaranteed cash surrender values, and cash dividends payable at the end of each year. All of the information that Rep. Cocchiarella is asking to be given is already required to be disclosed under state statutes or administrative rules right now. The buyer has a 10-day period to look over the policy and can then call the agent and tell the agent they do not want to buy the policy. We don't believe there is a problem to be solved.

Even if there is a problem, second point, we are not sure that this bill is the best way to solve it. The national association of insurance commissioners has a model disclosure act that has been adopted by nearly 30 states. If there is a problem out there, we would submit that HB 556 is not the way to solve it.

Third point, HB 556 probably does exactly opposite of what the proponents of this bill intend it to do. Life insurance is not principally an investment mechanism. Life insurance does have a savings or investment component for certain types of policies, not for all types of policies. It is not principally an investment mechanism.

Mr. Driscoll said that his organization agreed with Mr. Akey, that this requirement duplicates existing requirements. There is considerable disclosure in place

already. We prefer to go with the recommendation of the national association of insurance commissioners in a model rule.

Questions From Committee Members: Rep. Bachini asked Susan Witte, of the state auditor's office, if we believe what the opponents have told us, is this bill a duplication of what we have on the books? Ms. Witte said it is not necessarily a duplication. Forms are required to be submitted to the insurance commissioner for approval. Rep. Bachini asked if this would expand what they already have? Ms. Witte said yes.

Closing by Sponsor: Rep. Cocchiarella said that this bill just extends the authority of the insurance commissioner to make a rule requiring interest fees be disclosed to life insurance consumers not term life insurance consumers. It seems only fair that we as consumers have some kind of form that tells us straight forward and simple what we are getting for our money.

HEARING ON HOUSE BILL 570

Presentation and Opening Statement by Sponsor:

Rep. Spaeth, House District 84, said I am here to present to you HB 570 which will allow one person to hold all the offices of a statutory close corporation, and amends Section 35-9-305, MCA. A statutory close corporation, without going into great detail, is one which establishes a corporate bond filed with the secretary of state. There are other requirements that you have to meet. But it is a much more relaxed corporation than the normal business corporation at a higher corporate level. Primarily it allows ma and pa corporations, family businesses, family farms that are incorporated to recognize that these are family operations, that the husband, wife, and the kids are the stockholders of the corporation. They get together regularly but may not always have formal corporation board meetings. The closed corporation recognizes this situation as a hybrid between a business corporation and a partnership. These are generally small family entities. One person may be, for all practical purposes, the main corporate holder; they incorporate for other reasons.

Testifying Proponents and Who They Represent:

None

Proponent Testimony:

None

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Spaeth said he closed.

HEARING ON HOUSE BILL 355

Presentation and Opening Statement by Sponsor:

Rep. Cohen said this bill will allow insurers doing business in the state of Montana to invest in the African Development Bank.

Testifying Proponents and Who They Represent:

David Aronofsky, African Development Bank, Washington, D.C.

Proponent Testimony:

See exhibit 1 for Mr. Aronofsky's testimony.

Testifying Opponents and Who They Represent:

James Borchardt, State Auditor's Office

Opponent Testimony:

See exhibit 2 for Mr. Borchardt's testimony.

Questions From Committee Members: Rep. Kilpatrick asked Rep.

Cohen if he could answer the question about why add it to the law and if it's not broke, why fix it? Rep. Cohen directed this question to Mr. Aronofsky. Mr. Aronofsky said the witnesses accurately stated Montana law which does permit unspecified investments for Montana insurers. What we are seeking to do, however, is to get the African Development Bank identified by name in your statutes so that people become more familiar with it.

Rep. Simon asked Mr. Aronofsky if the International Bank of Reconstruction and Development is included in the same category as the African Development Bank? Mr. Aronofsky said it was mentioned in Section 33-2-817. Rep. Simon asked if we were to repeal Section 33-2-817 in its entirety would this have an adverse affect on the insurers being able to invest in the International Bank of Reconstruction and Development? Mr. Aronofsky said it would not.

Closing by Sponsor: Rep. Cohen stated that he respected the concerns of the gentleman, from the state auditor's office, about cluttering up our codes. I am not sure this is the place to start worrying about it. I think Mr. Aronofsky explained fairly well why the African Development Bank would like to be included in our code, with that I close.

HEARING ON HOUSE BILL 550

Presentation and Opening Statement by Sponsor:

Rep. Vincent said this is a very important piece of legislation. It requires the department of commerce to present to the 52nd legislature a plan for world-class tourist welcoming and information centers in Montana; and provides an immediate effective date.

Testifying Proponents and Who They Represent:

Bill Pratt, Montana Arts Council
Bonnie Tippy, Montana Innkeepers Association

Proponent Testimony:

Mr. Pratt stated that this bill provides an opportunity for Montana to use its highly recognized artists and craftsmen to build these visitor centers, Montana's gateways of world-class quality. The Montana Arts Council looks forward to working with the department of commerce in developing plans for the centers.

Ms. Tippy said her association strongly supports this bill.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: Rep. Pavlovich asked Rep. Vincent if the Innkeepers would raise their bed tax 1 cent to help raise the money to fund these centers and sunset the raise so when the set amount of money was gained the bed tax would go back to its original amount? Rep. Vincent said they were opposed to using any of the money for this.

Rep. Simon asked Rep. Vincent what his definition of world-class was? Rep. Vincent said he wasn't real sure, but thought it was the best of the best, first rate, state of the art. He just wants them to have class, so that when people come into this state and they come into a Montana

tourist information center they are overwhelmed and want to stay here and visit Montana. See everything we have to offer.

Rep. Steppler asked Ms. Tippy if the association she represents has any plans for promotion of tourism in the state along these lines or are they just concentrating on out of state tourists? Ms. Tippy said the Montana Innkeepers Association does not spend any of the bed tax money. It is spent by the tourist advisory council and the regions. John Wilson, administrator of the tourist advisory council, can better answer this question. Mr. Wilson said the formula for spending the bed tax is 75-25 percent split. The department of commerce spends 75 percent, it is largely spent out of state to attract new visitors to the state. The other 25 percent is prorated back to the tourist regions and they promote largely in state. Most of their promotion (70 percent) is right in their own region that they represent.

Closing by Sponsor: Rep. Vincent asked the committee to keep in mind that this bill does not address the cost that we would accrue doing this. If we decide to embark on this effort, that would be a decision which would have to be made, not by us but by the next legislature, based on the work the department of commerce does. We all know that it is going to cost money. I view it not as spending but investing. We have to invest in our basic industries and this is the most direct cost benefit relationship that I can think of. No matter how we pay for it, I think the industry and state will reap huge benefits.

HEARING ON HOUSE BILL 483

Presentation and Opening Statement by Sponsor:

Rep. Driscoll said that HB 483 would allow a local port authority to engage in economic development-related activities designed to aid commerce and stimulate the creation of jobs. At the present time the only port authority is located in Butte. Billings is planning on having one and I imagine other cities in the future will try to develop the same thing.

Testifying Proponents and Who They Represent:

Andy Burton, Butte/Silver Bow, Butte
Cal Cumin, Development Director, Yellowstone County,
Billings

Proponent Testimony:

Mr. Cumin stated that several years ago legislation was passed allowing port authorities. Since that time the port of Montana at Butte has opened, and Shelby is trying to open

one at this time. As budgets get tighter the problem of finding money rests in the ability of local governments to invest in their future. The function of the port authority traditionally, nationally, and internationally today is economic development. The assignment that a port authority has is to aid in commerce. There is about 50 port authorities between here and the coast. They started back in Europe in the 30's and they are continuing to grow.

Mr. Burton said that Montana is in a situation where we need as many tools as possible for future economic development. We feel that this bill will provide just that and we support this bill.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Driscoll said this bill will help. It is not asking for any money, just for some authority. Local government has told us many times that we order them to do something but give them no money. This time we are only giving them the authority to do something on their own.

EXECUTIVE ACTION

DISPOSITION OF HOUSE BILL 570

Motion: Rep. Bachini moved DO PASS.

Amendments, Discussion, and Votes: None

Recommendation and Vote: HB 570 DO PASS unanimously.

DISPOSITION OF HOUSE BILL 483

Motion: Rep. Bachini moved DO PASS and moved the amendments.

Amendments, Discussion, and Votes: See the attached copy of the amendments. The amendments DO PASS.

Recommendation and Vote: HB 483 DO PASS as amended unanimously.

DISPOSITION OF HOUSE BILL 550

Motion: Rep. Johnson moved DO PASS.

Amendments, Discussion, and Votes: Rep. Pavlovich said he spoke with Bonnie Tippy and she said that the bed tax has raised

something like \$4 million, I don't know why they didn't go along with John with something like this just to get 1 cent for a couple of years. For 1 year if we got a penny that means a million dollars, for 4 years that would be 4 million dollars. This would build all the buildings we would need. I don't understand why the Innkeepers were opposed to it.

Rep. Smith said they were afraid if they allowed one group to cut into the money then others would want some of the pot.

Recommendation and Vote: HB 550 DO PASS unanimously.

DISPOSITION OF HOUSE BILL 556

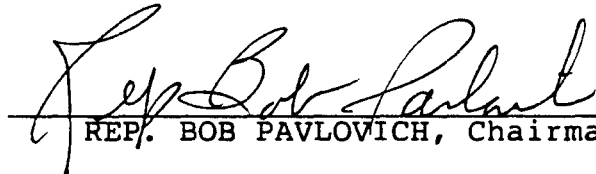
Motion: Rep. Simon moved DO NOT PASS.

Amendments, Discussion, and Votes: Rep. Steppler said buying insurance is an important step and if you are not comfortable with the answers you are getting from your agent, you should find the answers. Rep. Johnson said that in the last year he took out a policy and he must have a good agent because he got all the information this bill requires. Rep. Kilpatrick said he thought it was a good bill and a good idea.

Recommendation and Vote: HB 556 DO NOT PASS 11-5 vote.

ADJOURNMENT

Adjournment At: 11:00 a.m.


REP. BOB PAVLOVICH, Chairman

BP/sp

3303.min

DAILY ROLL CALL
BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 2 8 89

NAME	PRESENT	ABSENT	EXCUSED
PAVLOVICH, BOB	✓		
DeMARS, GENE	✓		
BACHINI, BOB	✓		
BLOTKAMP, ROB	✓		
HANSEN, STELLA JEAN	✓		
JOHNSON, JOHN	✓		
KILPATRICK, TOM	✓		
MCCORMICK, LLOYD "MAC"	✓		
STEPPLER, DON	✓	..	
GLASER, BILL	✓		
KELLER, VERNON	✓		
NELSON, THOMAS	✓		
SIMON, BRUCE	✓		
SMITH, CLYDE	✓		
THOMAS, FRED	✓		
WALLIN, NORM	✓		
PAUL VERDON	✓		

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 2/8/89 BILL NO. 191 NUMBER 1

NAME	AYE	NAY
Bob Pavlovich	X	
Gene DeMars	X	
Bob Bachini	X	
Rob Blotkamp	X	
Stella Hansen	X	
John Johnson		X
Tom Kilpatrick	X	
Lloyd McCormick	X	
Don Stepler	X	
Bill Glaser	X	
Vernon Keller	X	
Thomas Nelson		X
Bruce Simon		X
Clyde Smith	X	
Fred Thomas		X
Norm Wallin	X	

TALLY

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Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: do pass as amended with statement
of intent

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE

2/8/89

BILL NO.

157

NUMBER

1

NAME	AYE	NAY
Bob Pavlovich	<input checked="" type="checkbox"/>	
Gene DeMars	<input checked="" type="checkbox"/>	
Bob Bachini	<input checked="" type="checkbox"/>	
Rob Blotkamp	<input checked="" type="checkbox"/>	
Stella Hansen		<input checked="" type="checkbox"/>
John Johnson	<input checked="" type="checkbox"/>	
Tom Kilpatrick		<input checked="" type="checkbox"/>
Lloyd McCormick	<input checked="" type="checkbox"/>	
Don Steppler		<input checked="" type="checkbox"/>
Bill Glaser		<input checked="" type="checkbox"/>
Vernon Keller		<input checked="" type="checkbox"/>
Thomas Nelson	<input checked="" type="checkbox"/>	
Bruce Simon	<input checked="" type="checkbox"/>	
Clyde Smith		<input checked="" type="checkbox"/>
Fred Thomas	<input checked="" type="checkbox"/>	
Norm Wallin		<input checked="" type="checkbox"/>

TALLY

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Sue Pennington

Secretary

Bob Pavlovich

Chairman

MOTION:

do pass as amended

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 2/2/89 BILL NO. 556 NUMBER

NAME	AYE	NAY
Bob Pavlovich		
Gene DeMars		X
Bob Bachini		X
Rob Blotkamp		
Stella Hansen		X
John Johnson		
Tom Kilpatrick		X
Lloyd McCormick		X
Don Steppler		
Bill Glaser		
Vernon Keller		
Thomas Nelson		
Bruce Simon		
Clyde Smith		
Fred Thomas		
Norm Wallin		

TALLY

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Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: do not pass

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 2/2/89 BILL NO. 550 NUMBER

[illegible]

TALLY

16

Sue Pennington
Secretary

Bob Paylovich
Chairman

MOTION: do pass

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 2/8/89 BILL NO. 483 NUMBER _____

[illegible]

TALLY

16

Sue Pennington
Secretary

Bob Paylovich
Chairman

MOTION:

do pass as amende

ROLL CALL VOTE

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

DATE 2/8/89 BILL NO. 570 NUMBER

[illegible]

TALLY

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: to pass

STANDING COMMITTEE REPORT

February 8, 1989

Page 1 of 3

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 191 (first reading copy -- white), with statement of intent attached, do pass as amended .

Signed: _____
Robert Pavlovich, Chairman

And, that such amendments read:

1. Title, line 4.

Following: "EXTENDING"

Insert: "THE FUNCTIONS OF AND"

2. Title, line 8.

Following: "32-1-372,"

Insert: "32-2-111,"

3. Page 1, line 23.

Following: line 22

Insert: "STATEMENT OF INTENT"

A statement of intent is required for this bill because it allows the department of commerce to adopt rules defining the scope of services that banks and state-chartered thrift institutions may offer in extended teller facilities a number of miles from the main banking house. The intention of the legislature is that the department's rules confine the services allowed at extended teller facilities to those normally conducted at teller windows in the main banking house. The legislature intends, however, that the department be cognizant of modern communications technology, such as facsimile transmission and modem-linked computers, in defining what is normal and usual at a teller window. The department shall acknowledge that a teller is able to communicate with a bank officer and gain electronic authorization to open accounts, issue checks for approved loans, and perform other similar duties."

4. Page 3, lines 14 and 15.

Following: "maintain" on line 14

Strike: "a detached drive-in or walk-up"

Insert: "an extended teller"

5. Page 3, lines 20 and 21.

Following: "of the" on line 20

Strike: "detached drive-in or walk-up"

Insert: "extended teller"

6. Page 4, line 2.

Following: "department"

Insert: "or from an agency of the federal government"

7. Page 5, line 9.

Following: line 8

Insert: "(b) "Extended teller facility" means an office of a bank physically separate from the premises of the main banking house in which the bank may transact any business allowed in a detached drive-in or walk-up facility and any additional business that the department may by rule authorize, but the department may not authorize a bank to place safe deposit boxes in an extended teller facility or to assign account numbers or to open escrow accounts in those facilities."

Renumber: subsequent subsections

8. Page 5, line 9.

Strike: "an"

Insert: "the principal"

9. Page 5, line 10.

Following: "where"

Strike: "a majority"

Insert: "at least two"

10. Page 5, line 21.

Following: "institution"

Insert: ", or because of the domicile of the directors of the bank"

11. Page 6, line 24.

Following: "of"

Strike: remainder of line 24

Insert: "an extended teller"

12. Page 6, line 25.

Following: "branching"

Insert: "and is permitted"

13. Page 7, line 7.

Following: line 6

Insert: "Section 3. Section 32-2-111, MCA, is amended to read:

"32-2-111. Equality of rights: With the approval of the department, a building and loan association chartered pursuant to the laws of this state may exercise or possess any right, power, privilege, benefit, immunity, or exemption, other than those limited under 32-2-271, possessed by a federal savings and loan association doing business in this state that is now provided or that may be provided after April 29, 1981, by the laws of the United States or regulations of the federal home loan bank board. This grant is in addition to grants provided in and takes priority over any statute of this state other than 32-2-271. The department may exercise the discretion granted in this section by issuance of a special order upon written request from any state-chartered building and loan association with respect to any particular item and may grant such request upon such conditions as it ~~shall determine~~ determines are in the best interest of the members or depositors of the association and of the general public. The department shall require any state-chartered building and loan association seeking such special orders to obtain and maintain insurance of accounts acceptable to the department, excluding alien insurers."

Renumber: subsequent sections

STANDING COMMITTEE REPORT

2-8-89
1:55pm
J.C.
February 8, 1989

Page 1 of 2

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 151 (first reading copy -- white) do pass as amended.

Signed: _____
Robert Pavlovich, Chairman

And, that such amendments read:

1. Page 2, line 14.

Following: line 13

Insert: "(7) 'Community advisory board' means a group of citizens to advise the management of a branch bank, a majority of whom must be residents of the county in which the branch bank is located."

Renumber: subsequent subsections

2. Page 6, line 6.

Following: line 5

Insert: "(c) Two or more banks under common ownership may not consolidate or merge unless all banks under the common ownership are parties to the consolidation or merger."

3. Page 7, line 7.

Strike: "Any service that may be"

Insert: "A branch bank must offer all services"

4. Page 7, lines 7 and 8.

Following: "offered" on line 7

Strike: remainder of line 7 and through "conducted" on line 8

5. Page 7, lines 8 and 9.

Following: "house" on line 8

Strike: remainder of line 8 and through "bank" on line 9

6. Page 9, line 21.

Following: "bank"

Insert: ", other than a bank owned by a holding company not located in Montana,"

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February 8, 1989
Page 2 of 2

7. Page 9, lines 22 and 23.

Strike: "in any county if the branch bank is to be established"

8. Page 10, line 1.

Strike: "or"

Insert: "and"

9. Page 10, line 9.

Following: "authority."

Strike: remainder of line 9 and lines 10 through 12 in their entirety and through "or" on line 13

Insert: "Nothing in this subsection allows a bank owned by a holding company not located in this state to acquire an interest in a bank in contravention of"

10. Page 10, line 15.

Following: line 14

Insert: "(6) A branch bank must have a community advisory board."

STANDING COMMITTEE REPORT

February 8, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 556 (first reading copy -- white) do not pass .

Signed: Robert Pavlovich, Chairman

STANDING COMMITTEE REPORT

February 8, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 550 (first reading copy -- white) do pass.

Signed: _____
Robert Pavlovich, Chairman

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STANDING COMMITTEE REPORT

February 8, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 483 (first reading copy -- white) do pass as amended.

Signed: _____
Robert Pavlovich, Chairman

And, that such amendments read:

1. Page 1, line 21.

Following: "development,"

Insert: "construction, improvement, maintenance, equipment, operation,"

2. Page 4, line 19 through page 5, line 4

Following: "state." on line 19

Strike: the remainder of subsection (7) in its entirety

3. Page 7.

Following: line 17

Insert: "(6) Nothing in this section or 7-14-1134 may be construed to limit the use of port authority revenues, including federal and state money as described in 7-14-1136, to make grants and loans or to otherwise provide financial and other support to organizations, including corporations organized under the provisions of the development corporation act in Title 32, chapter 4. Under no circumstances may the credit of the state, county, or municipal governments or their agencies or authorities be pledged to provide financial support to such development organizations"

4. Page 7.

Following: line 22

Strike: "of the"

Insert: "thereof, including"

Following: "property"

Insert: "acquired"

Strike: "the authority has"

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STANDING COMMITTEE REPORT

February 8, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 570 (first reading copy -- white) do pass.

Signed: _____
Robert Pavlovich, Chairman

Amendments to House Bill No. 483

First Reading Copy

Requested by Representative Driscoll
For the Committee on Business and Economic Development

February 9, 1989

These amendments are in addition to the Amendments requested by Representative Driscoll on February 7, 1989

1. Page 1, line 17.

Following: " of "

Insert: "its jurisdiction,"

2. Page 2, line 9.

Following: " prosperity "

Insert: "of its jurisdiction and"

3. Page 4, line 10.

Following: " prosperity "

Insert: "of its jurisdiction,"

4. Page 5, line 21

Following: "support"

Strike: " to private organizations, "

Insert: "through the issuing of bonds as authorized in Section 7-14-1133, MCA, and Section 7-14-1134, MCA, to organizations, including corporations organized ^{under} the provisions of the development corporation act in Title 32, Chapter 4, whose purpose is to advance economic development of its jurisdictions, the state and its citizens."

AB 553
2/9/84
#1

1 I. GENERAL INFORMATION

2 This is a life insurance policy fact sheet. Minnesota law
3 requires that this fact sheet be provided to you before you
4 make any payment on a life insurance policy.

5 II. INSURER AND BASIC POLICY INFORMATION

6 A. Name and Address of Insurer:

7 _____
8 _____
9 _____
10 _____
11 _____
12 _____

13 B. Single Premium ____ Annual Premium ____ Other ____ (check one)

14 C. Amount of death benefit at end of first year \$ _____

15 D. Will the death benefit vary with the
16 interest rate credited? ____ Yes ____ No

17 E. Is the advertised interest rate guaranteed? ____ Yes ____ No

18 If yes, for how long?
1920 III. CALCULATION OF EARNINGS ON FIRST YEAR PREMIUM

21 A. Amount of first year premium \$ _____

22 B. Amount of premium allocated to
23 death benefit and expenses \$ _____24 C. Balance upon which interest will
25 be calculated \$ _____26 D. Amount of interest income at
27 advertised rate \$ _____

28 E. Policy value at end of first year \$ _____ *

29 *NOTE: This value may not be available without surrender
30 charges which are disclosed below.

31 IV. SURRENDER CHARGE

32 This policy should be purchased only for long-term planning.
33 Surrender charges may be substantial and will be imposed as
34 specified below, assuming that the advertised rate of
35 interest and illustrated premiums are paid.

36 A. Surrender charge assessed if
37 surrendered at the end of the first year \$ _____38 B. The amount you will receive if you
39 surrender at the end of the first
40 year (III-E minus IV-A) \$ _____41 C. Number of years for which a
42 surrender charge is imposed _____

43 Signature of Agent _____

44 Signature of Applicant _____

45 Date: ____/____/____

46 Date: ____/____/____

1 universal life products. The disclosure sheet must contain the
2 following information. No additional or alternative information
3 may be included on the disclosure sheet, for purposes of this
4 part, without the approval of the commissioner.

5 LIFE INSURANCE POLICY FACT SHEET

6 OTHER THAN UNIVERSAL LIFE PRODUCTS

7 I. GENERAL INFORMATION

8 This is a life insurance policy fact sheet. Minnesota law
9 requires that this fact sheet be provided to you before you
10 make any payment on a life insurance policy.

11 II. INSURER AND BASIC POLICY INFORMATION

12 A. Name and Address of Insurer:

13 _____
14 _____
15 _____
16 _____
17 _____
18 _____

19 B. Single Premium __ Annual Premium __ Other __ (check one)

20 C. Amount of death benefit at end of first year \$ _____

21 D. Will the first year death benefit vary with the dividend
22 credited or other nonguaranteed payment? Yes No
23 _____ Yes _____ No

24 III. FIRST YEAR VALUES

25 This policy should be purchased only for long-term planning.
26 The values shown below assume the illustrated dividend or
27 other nonguaranteed payment and the illustrated premiums
28 are paid.
29

30 A. Amount of first year premium \$ _____

31 B. Guaranteed cash value, end of first year \$ _____

32 C. Dividend or other nonguaranteed payment,
33 end of first year \$ _____

34 D. The amount you will receive if you surrender
35 at the end of the first year (III-B plus III-C
36 minus any surrender charge) \$ _____
37
38
39
40
41
42
43
44

45 Signature of Agent _____

Signature of Applicant _____

46 Date: ____/____/____

Date: ____/____/____

47 2790.1751 INTEREST RATE DISCLOSURE; CERTAIN GROUP CONTRACTS OR
48 POLICIES.

49 Subpart 1. Definition. "Code" as used in this part means
50 the United States Internal Revenue Code of 1986, as amended
51 through December 31, 1991.

MEMORANDUM

AFRICAN DEVELOPMENT BANK STATE
LEGISLATIVE PROGRAM - MONTANA

I. Background

The African Development Bank ("the Bank") is currently seeking the enactment of legislation, where necessary, which would permit state-regulated banks, insurance companies, fiduciaries and public employee retirement systems to invest in Bank obligations if they choose to do so. Several years ago, largely through the joint efforts of the Congressional Black Caucus and the Reagan Administration, Congress enacted Title XIII of P.L. 97-35 authorizing United States membership and financial participation in the Bank, which was initially created in 1964 and until 1982 limited its membership to African countries. Today, the Bank's membership includes all African nations except for South Africa, plus the Governments of the United States, Canada, Japan and Western Europe.

The Bank, a principal source of financing for economic development projects on the African continent, funds these projects through the sale of its obligations in the world's capital markets. As with the International Bank for Reconstruction and Development (World Bank), the Inter-American Development Bank and the Asian Development Bank, investments in African Development Bank securities by the state-regulated institutions described above generally require either state legislation or administrative agency rulings prior to the time such securities can be marketed in a particular state. P.L. 97-35 referred to above authorized federally regulated financial institutions to invest in such securities.

Since initiating state legislation activities several years ago, the Bank has obtained passage of legislation or secured comparable administrative agency rules qualifying its securities for investments in forty-two states.^{1/}

^{1/} These include Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin.

Bills are also pending in additional states, while others have laws which already permit such investments under a "prudent investor" standard. It should be noted that each state has its own particular laws applicable to state-regulated institutional investors and no two states are alike in this regard.

The Bank entered the United States capital market for the first time in the Fall of 1985 and most recently in early November 1987 with highly successful bond issues. The three principal American bond rating services have given its bonds AAA, AAA and AA ratings, which makes this type of investment quite attractive once a regulated investor receives appropriate legal authorization. In order to assure a successful United States market presence, the Bank is seeking enactment of legislation in a number of additional states, including Montana, to obtain this authorization.

II. Specific Legislation Needs in Montana

A review of the applicable Montana laws indicates a need for amending only one section of the Montana Code Annotated to gain investment authorization for state-regulated insurance companies. This involves merely adding the name of the African Development Bank to that of the International Bank for Reconstruction and Development (World Bank), whose obligations are already eligible for these investments. Other regulated investors apparently already have the necessary authority without the need for statutory change.

Based upon experience to date in other states, this legislation should be completely noncontroversial. President Reagan and the U.S. Treasury Department have actively supported efforts to get this legislation enacted, as have many Black political leaders around the country. Because of the high Bank securities ratings, prospective investors also support it since this increases their high-yield, low-risk portfolio options and provides them an opportunity to make both profitable and socially worthwhile investments. Finally, since the Bank is the major source of foreign exchange financing for transactions in or with Africa, American exporters to that continent, particularly in the agricultural sector, have ample incentive to support the Bank's financial success.

Prepared November 1988 by:

David Aronofsky, Esq.
U.S. Legal Counsel, African Development Bank
Arent, Fox, Kintner, Plotkin & Kahn
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339
202-857-6054



THE SECRETARY OF THE TREASURY
WASHINGTON

FEB 12 1988

Dear Governor Schwinden:

I am writing in support of the African Development Bank's efforts to obtain the qualification of its obligations in the State of Montana for investment by certain state-regulated institutions.

The African Development Bank was established as a multilateral development bank in 1963 to foster economic and social development of its African members individually and through regional cooperation. In addition to all independent African countries except for South Africa, the Bank's membership now includes the United States, as well as the countries of Western Europe, Japan and other developed nations. The African Development Bank is patterned after the International Bank for Reconstruction and Development (World Bank), the Inter-American Development Bank and the Asian Development Bank, in that they all make extensive use of the world's capital markets through the sale of their highly rated bonds and other obligations to obtain funds for development lending activities. A substantial percentage of such funds finances the purchase of American goods and services used in critical development projects. This in turn enables American businesses and academic institutions to participate directly in these activities, to the benefit of all concerned.

I would appreciate your State taking the necessary steps to have the African Development Bank receive at least as favorable treatment under the laws of Montana as is currently accorded to one or more of the other multilateral development banks with respect to the qualification of the Bank's securities for purchase by state chartered banks, savings and loan associations, insurance companies, public employee retirement systems and any special statutory or constitutional funds. At least 34 states have already wholly or partially accorded such treatment to the African Development Bank through enactment of legislation or, where appropriate, administrative agency rulings. I anticipate that the Bank will be in touch with you through its American legal counsel to present detailed legislative proposals.

Sincerely,

James A. Baker, III

The Honorable Ted Schwinden
Governor, State of Montana
Helena, MT 59620

cc: The Honorable Bill Norman
The Honorable Robert L. Marks



THE SECRETARY OF THE TREASURY
WASHINGTON

FEB 12 1988

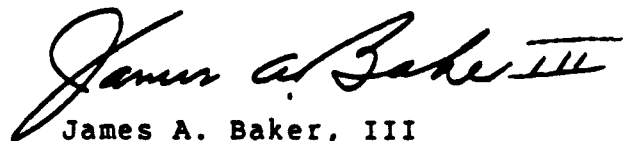
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Sincerely,



James A. Baker, III

The Honorable Bill Norman
President, Montana Senate
Helena, MT 59620

cc: The Honorable Ted Schwinden
The Honorable Robert L. Marks



THE SECRETARY OF THE TREASURY
WASHINGTON

FEB 12 1968

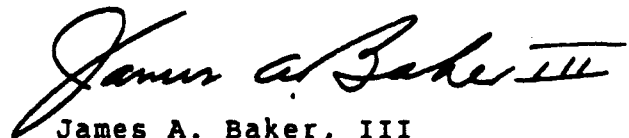
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Sincerely,



James A. Baker, III

The Honorable Robert L. Marks
Speaker, Montana House of
Representatives
Helena, MT 59620

cc: The Honorable Ted Schwinden
The Honorable Bill Norman

Faces

Behind the Figures

Edited by Lisa Gubernick

Family fun

Quarrels are as old as families. "You're supposed to keep things like this inside the house," says Laurence Price, 41, and he should know. Last month, in the latest move in a two-year legal battle, Laurence Price sued Sol Price, his father, retailing innovator and founder of the \$3.3 billion (fiscal 1987 revenues) Price Club chain of discount warehouses, along with his brother Robert and the Price Club, for \$100 million.

Laurence says the trouble began brewing in 1976, when the chain was just getting started. "I was just too independent," says Laurence. "We were all in the same office and things got very difficult. I thought the best thing was to leave and start my own business."

Sol helped his son to open up tire-mounting stores adjacent to the Price warehouses. At \$4.25 a tire, that doesn't sound like much, but Price sells a lot of tires. Laurence says the business did \$5.2 million in sales in 1985. "The bigger it got," says Laurence, "the worse my relationship with my father got."

That relationship reached its nadir when Laurence left his wife in the early 1980s. Says Laurence: Sol ordered him not to move near her home

and to give his wife custody of the two kids. When the boys moved in with Dad, Sol told Laurence to send them back. He refused to obey, and his father retaliated by grabbing control of the tire business. After all, Sol still held the lease on the stores.

Laurence sued. First, father and son tried to settle their disputes in arbitration. Earlier this year Laurence got a \$3.7 million arbitration award, but he considers that more of a defeat than a victory, considering taxes, the business debts he has to pay, lawyer bills and some damages. Now his lawyer, mighty Marvin Mitchelson of palimony fame, is asking for additional money for Laurence's suffering. (Dare we call it solimony?)

What does Dad have to say? The company lawyer says Sol will do his talking in court.—Jerry Flint

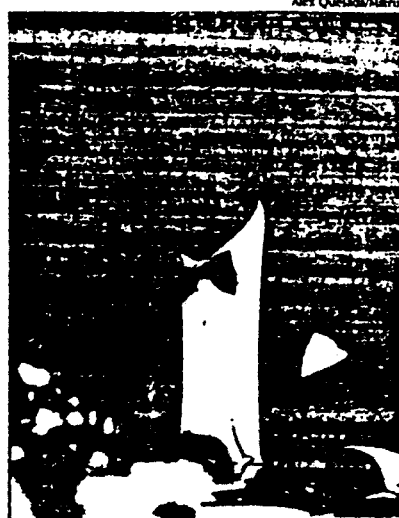
Out of Africa

For Babacar N'Diaye (pronounced Fen-jai), the stock market crash couldn't have come at a better time. Just as the Dow dropped 508 points on Oct. 19, N'Diaye and his staff at the African Development Bank (assets, \$18 billion) were readying a \$200 million bond offer. With U.S. investors suddenly scrambling for safety and high yields, the bonds sold as fast as Coca-Cola in Khartoum.

The ADB bonds, secured by the bank's 75 member nations, were sold through lead underwriter Kidder, Peabody. Some were sold in denominations as small as \$1,000. The selling pitch? A 10% coupon and a triple-A rating from Moody's.

"The stock market shock, if it leads to worldwide economic slowdown, could eventually affect African countries," says N'Diaye, 51-year-old president of the ADB. "But for now the slowdown seems to be keeping the level of interest rates low, and that helps Africa's indebted countries."

Americans don't hear much about Africa's debt crisis. That's largely because commercial banks hold less than 40% of Africa's foreign debt, as against nearly 70% of Latin America's. The bulk of African debt, by con-



African banker Babacar N'Diaye
Benefiting from Black Monday.

trust, is on the books of a handful of official lenders, such as the African Development Bank, the World Bank and foreign governments.

That could prove an advantage. N'Diaye is currently crafting his own debt-relief plan, calling for much of Africa's \$160 billion foreign debt to be collateralized into long-term bonds that could be sold to the public or traded among institutional investors. Arranging the bond program with Africa's handful of major creditors will be a lot easier than getting a similar agreement from the 500 or so commercial banks with loans out to Latin America. Moreover, N'Diaye has figured out that what private investors want is a solid rating and a fat return.—Edwin A. Finn Jr.

Will Britannia rule?

Babacar N'Diaye isn't the only one reaping benefits from Black Monday. David Snell, finance director of the British Royal Mint, couldn't be happier about the weakening stock market. Snell, 47, was in Los Angeles and New York City early last month to launch the mint's new gold coin, the Britannia. Snell hopes shaken investors will put more of their assets in gold—coins in particular.

Britain is no newcomer to the market. Its gold sovereign, first minted in 1489, was the world's most widely held gold coin until the late 1960s. Then South Africa's Krugerrand, minted in a convenient one-ounce weight, came along. The traditional sovereign, a tedious .2354 ounce, makes quick calculations of value difficult. The new Britannia will weigh in at one, one-half, one-quarter and



Sol's son, Laurence Price
Suing Dad for \$100 million.

Third World Projects Create a New Market

By CLYDE H. FARNSWORTH

Special to The New York Times

WASHINGTON, Oct. 9 — Although the market for exports to cash-strapped developing countries has fallen strikingly in the past decade, third-world projects financed by the international development banks have created a booming market for an array of products.

Under their crushing debt burden, developing countries, which normally buy about a third of all American exports, cut purchases from the United States by 13 percent since 1981, to \$82.7 billion in 1987.

But in the same period, American companies doubled, to \$2.1 billion a year, their sales of items needed for projects financed by the four leading development banks — the World Bank, the Inter-American Development Bank, the African Development Bank and the Asian Development Bank.

The market created by the development banks includes power generators, water pumps, trucks, tractors, drilling rigs, irrigation equipment, farm implements, telecommunications equipment, pesticides, seeds and schoolbooks.

In the past five years, the World Bank and the three regional institutions have disbursed \$76 billion to business contractors, chiefly in the industrial countries, to support projects in more than 100 developing countries, according to a recent report by Development Bank Associates Inc., a research group based in Washington.

Chances are that future disbursements will be even greater, following recent Congressional action authorizing American participation in a \$75 billion increase in the resources of the World Bank, nearly doubling its capital. A large increase in funds for the Inter-American Development Bank is likely to be approved in the next few months as well.

"The development banks have created an enormous market," said David A. Raymond, director of international programs for the Enserch Corporation of Dallas, a diversified energy operator which aggressively pursues World Bank contracts. "It isn't an easy business and there's more competition than ever. But it pays hard currency on projects throughout the world."

Despite the numbers, analysts here note that American bidders like Enserch are still relatively few.

"Many business executives do not

The development banks are bringing about a boom for many products.

know about the bidding process," the United States Chamber of Commerce said in a special study of the market published two years ago. "Others fear red tape."

Development Bank Associates said in a recent report, "A Practical Guide to the Development Bank Business," that less than 3 percent of United States exporters are actively engaged in marketing products for such projects.

The lack of interest has hit the pocketbook. Even as the United States has strikingly increased exports to the development-bank market, it has been losing market share to its principal commercial rivals — West Germany and Japan.

By far the biggest of the development institutions, the World Bank committed \$17.7 in 1987 to expand power distribution in Argentina, build irrigation works in Belize, expand technical education in Brazil and to aid scores of other programs. Commitments by the three regional institutions totaled \$7 billion, bringing the total for the four to \$24.7 billion.

The commitments become actual disbursements as the multiyear projects reach varying stages of completion needing additional equipment and supplies.

Most of the contracts are relatively small — in the range of \$10,000 to \$50,000. In a recent year, 65 percent of all equipment contracts and 55 percent of all consultancy contracts on World Bank projects were for less than \$50,000, according to the Development Bank Associates study.

Over the same period there were 2,000 payments by the World Bank of more than \$1 million.

The development-bank business is confined to developing countries, which includes nearly all countries with per-capita yearly income of less than \$3,000. These include such giants as China and India and such tiny island states as Kiribati and Vanuatu. The market also includes some East bloc countries like Hungary and Poland.

low rates. Others disagree.

"I think tax policy in 1989 is going to be a backburner issue," said Donald H. Straszheim, chief economist for Merrill Lynch & Company, even though "the budget and trade deficits are troubling to economists."

"We're likely to end up with higher taxes down the road, but not immediately," he said. Some form of energy tax is likely, he suggests, and eventually a value-added tax could be imposed. If income tax rates are raised, then preferential treatment for capital gains is "not unreasonable," he said. But with a new Administration and a new Congress due to take office, he does not expect the tax rates to be changed in 1989.

Mr. Straszheim sees a modest recession and lower interest rates for the second half of 1989. If that forecast is accurate, it would argue against making tax-driven sales of bonds now, because bond prices would rise if rates fell. One strategy, though, would be to sell bonds on which one has a loss and replace them with similar securities.

Vern Martens, vice president of Merrill Lynch Tax Advisory, noted that if there is no change in tax rates next year, "taxpayers will pay lower taxes because of indexing for inflation." Nevertheless, he said, "people are still looking for something that will provide a tax break."

The most popular tax-exempt investments are municipal bonds, although certain municipal bonds are subject to the alternative minimum tax. These latter bonds pay slightly higher rates and thus are attractive to investors who are not liable for the alternative minimum tax.

Mr. Martens offered these additional possibilities for reducing taxes:

• Rehabilitation credits for low-income housing can cut taxes by up to \$7,000.

• Tax-deferred annuities can be attractive for retirement plans.

• By switching from money market funds to certificates of deposit or Treasury bills or notes, investors can defer income into future years. A switch in October, however, will only reduce 1988 interest income by 25 percent.

Idis' Challenge to OPEC

1 From First Business Page

els a day, from around 4.3 barrels a day a month ago. Officials said their current was to keep their production protect their share of the market against other producers are discounting their oil easing production to secure

il industry officials said that proposal would substantially overall OPEC ceiling, bringing to 19 million barrels a 4 million barrels above the quota. The higher ceiling

manently lower oil prices.

One industry expert said the tentative proposal depended upon a compromise between Iraq and Iran under which the countries would agree to equal production shares of 2.5 million barrels a day each. Iraq is now producing about 2.7 million barrels a day, while Iran's output is just below 3 million barrels a day.

Under the new proposal, OPEC would also agree to lower the official price it has used as a yardstick, to closer to \$15 a barrel, from \$18.

But OPEC officials and oil analysts fear that until an agreement is reached, a further steep drop in oil prices is a real possibility, bringing chaos to oil markets and, perhaps,

Pillsbury Sued Over Offer

...the court has filed suit

fort to protect the interests of the shareholders.

Presidential Documents

Title 3--

Executive Order 12403 of February 8, 1983

The President

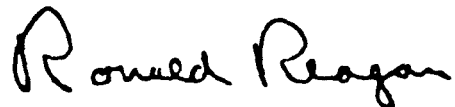
African Development Bank

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 1 of the International Organizations Immunities Act (22 U.S.C. 288), Reorganization Plan No. 4 of 1965, and the African Development Bank Act (22 U.S.C. 290i), and in order to facilitate United States participation in the African Development Bank, it is hereby ordered as follows:

Section 1. The African Development Bank, in which the United States participates pursuant to Sections 1332-1342 of Public Law 97-35 and the Agreement Establishing the African Development Bank, is hereby designated as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act. This designation is not intended to abridge in any respect the privileges and immunities which such organization has acquired or may acquire by treaty or Congressional action. This designation shall not affect in any way the applicability of Section 1 of Article 52 of the Agreement, Article 57 of such Agreement or the Declaration made by the United States pursuant to Article 64 of the Agreement.

Sec. 2. Executive Order No. 11269, as amended, is further amended by deleting "and African Development Fund" and adding ", African Development Fund, and African Development Bank" in Sections 2(c), 3(d) and 7, respectively.

Sec. 3. The functions vested in the President by Sections 1333(c), 1334, 1338(a) and 1341(b) of Public Law 97-35 (22 U.S.C. 290i-1(c), 290i-2, 290i-6(a), and 290i-8(b)) are delegated to the Secretary of the Treasury.



THE WHITE HOUSE

February 8, 1983.

[FR Doc. 83-0884

Filed 3-9-83; 11:00 am]

Billing code 3195-01-04

Editorial Note: The President's remarks on signing EO 12403, and a letter to the President of the African Development Bank on U.S. membership in the Bank, both dated Feb. 8, 1983, are printed in the *Weekly Compilation of Presidential Documents* (vol. 19, no. 6).

Office of the Press Secretary

For Immediate Release

February 8, 1983

REMARKS OF THE PRESIDENT
IN CEREMONY MARKING U.S. MEMBERSHIP
IN AFRICAN DEVELOPMENT BANK

The State Dining Room

1:51 P.M. EST

THE PRESIDENT: Your Excellencies, President Mung 'Omba Secretary Regan and members of the Congress and distinguished guests, one of the great pleasures of this office is that I often have a chance to do something unabashedly positive in nature. And I'm pleased to say that what we're about to do offers such an opportunity.

Today we mark the new American partnership, as I'm sure Secretary Regan has told you, with the people of Africa through our acceptance of membership in the African Development Bank.

We take the step purposefully and by it we underscore our commitment to African growth.

The United States has always taken a farsighted view to assist the growth of developing nations. At the Cancun Summit in October of '81, the United States laid out a broad-based program of trade, investment and aid to meet the diverse needs of the developing countries. Last year, we put this approach into practice in our Caribbean Basin Initiative for the developing countries of the Caribbean and Central America. And with this step today, the United States reaches out to its developing nation partners in Africa.

The United States and the African Development Bank are not new friends by any means. Since '68, the United States has provided technical assistance to the bank through the Agency of International Development. And since '76, we've channeled part of our development assistance to Africa through the bank's affiliates -- or affiliates, I should say, of the African Development Fund.

And now, by opening its membership to the non-African countries, the African Development Bank has given us the opportunity for even closer cooperation. I'm happy to say we accept the invitation and stand ready to do our share.

We're painfully aware that Africa's economic development is encountering difficult obstacles. As the leader in the cause of the progress, the African Development Bank group along with other assistance organizations must strive for more effective use of the limited development funds.

The African governments who carry the heaviest responsibility for their own domestic economy -- or economic conditions

MORE

must pursue a sound, growth-oriented policy of expansion in order to be made. Far too often, the governments of developing countries undermine their own private sector -- one of the essentials for commercial and industrial expansion -- only to see the standards of living decline in the countries that do that.

If the leaders of Africa's nations recognize the critical role of private enterprise, they can then expect to share in much more of the worldwide economic upturn that we think is now beginning in this country. Americans recognize both the special development needs and the great potential of Africa. The African Development Bank Group symbolizes the determination of Africa and the International Community to meet those needs and to achieve that potential.

We, in the United States, are enthusiastic about this partnership as I am sure the Secretary has told you. And we look forward to seeing tangible results from this cooperative and very special effort.

And now, I am going to sign a letter to the President of the Bank, and I am going to sign our Action Paper.

(The documents are signed. Applause.)

There, that makes it absolutely official.
(Applause.)

PRESIDENT MUNG'OMBA: Mr. President of the United States Mr. Secretary of the Treasury, and the Governor of the African Development Bank, distinguished Senators and Congressmen, Your Excellencies, ladies and gentlemen, on behalf of the Board of Governors and the Board of Directors of the African Development Bank and on my own behalf, permit me to acknowledge with sincere gratitude the singular honor you have done the Bank and ourselves today in deciding to mark the signing of the formal instruments of accession of the United States to membership of the African Development Bank with this special ceremony.

Mr. President, the ceremony we have just witnessed is significant in many respects. But I think it is most obviously significant in that it marks the clearest commitment of the government and the people of this great country to the development objectives and aspirations of the African peoples as collectively expressed in their institutions that form the African Development Bank Group.

Mr. President, we have long had clear and consistent proof of the sincerity and sympathy of the United States toward these institutions. Your country's assistance both in the form of funds and technical assistance to the Bank has been a reliable and invaluable supplement to the Bank's own efforts for nearly as long as the Bank has been in existence. And this notwithstanding that, for reasons that are now happily historical, the United States could not at that time be a member of the African Development Bank.

The same history of great care and concern is even more amply evident in the clear leadership position that the

MORE

United States unreservedly accepted, in terms of both direct contributions and indirect assistance, when it became possible for this country to become a state participant in the African Development Fund a few years after its creation. Sir, today it marks a further confirmation of the commitment of your people, your government, and we recognize it as an explicit assurance that it is a long-term commitment.

And because it's long-term in nature, it further underscores the concern of the people of this country for the plight of the people of Africa, which is the chief duty of the institutions of the Bank group to help mitigate.

On behalf of the governing bodies of the Bank, it is my singular honor and pleasant duty to welcome the United States of America to membership of the Bank. You will, Mr. President have, no doubt, have been informed at least in outline of the long period of internal debate which preceded the decision of our governors to admit non-African countries to membership of the Bank. In the end, what persuaded them was the consideration that non-African membership could create an opportunity on the continental level and under their own leadership, for a more extensive dialogue and partnership between the two sides in combatting Africa's endemic development problems.

Mr. President, it is this opportunity which we in the Bank, with the assistance of countries like yours, have the responsibility to translate into reality. And I am convinced that we will succeed in this endeavor. There can be no doubt that with the material and technical resources that will be made available to the Bank as the result of this day's work, its effectiveness in manning this frontier and pushing it back is significantly enhanced.

Mr. President, your decision to have present at this ceremony such a distinguished and broadly representative selection of the members of the executive, the legislature and the business and banking organs of the nation signifies clearly to all of us how essential is the participation of all these sectors of the nation before this great adventure in international cooperation can become a true success.

Allow me, sir, to address a word of gratitude to the many concerned friends of Africa in the Senate and Congress whose consistent support for this program over all these years has today brought our efforts to fruition.

Equally, sir, a word of thanks is due to these tasks of both of the executive and the legislative who sought tirelessly and patiently assisted us at all stages of our preparations.

Mr. President, I would on this happy occasion go further and take this wonderful opportunity, on behalf of my colleagues, myself, the African Development Bank, personally to wish you a belated Happy Birthday and sincere good wishes for health, success and God's blessings in your future endeavors.

Sir, on behalf of the Boards of Governors and Directors of the Bank group, accept our most sincere welcome to the African Development Bank and our thanks to you and to the people of your great country. (Applause.)

END

2:05 P.M. EST

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

February 8, 1983

United States Joins African Development Bank

FACT SHEET

President Reagan today signed the necessary documentation accepting United States membership in the African Development Bank.

In 1972, non-regional countries joined Bank members in establishing the African Development Fund to provide concessional financing to the poorest African countries. In 1979, the Governors of the Bank extended the offer of membership to the United States and other non-regional countries.

In 1981, Congress authorized both U.S. membership in the African Development Bank and a U.S. subscription of \$359.7 million of Bank capital. Also in 1981, the first installment (\$17.99 million of paid-in capital and \$53.96 million of callable capital) was enacted by the Congress. Four additional installments with identical amounts for paid-in and callable capital subscriptions will be sought in the FY 1984-1987 period.

United States membership in the African Development Bank reflects this country's growing economic and security interests in this important region, and our desire to cooperate in a constructive multilateral effort to help the countries of Africa overcome their very serious development problems.

Background on the African Development Bank

The African Development Bank, with headquarters in Abidjan in the Ivory Coast, was established in 1963, by 30 African countries to make loans on near-market terms to promote economic and social development in member countries individually and through regional cooperation. Under the terms of the original Articles of Agreement, membership was restricted to independent African countries. There are currently 50 African member countries. In 1972, Bank members joined with non-regional countries to establish the African Development Fund to provide financing on concessional terms to the poorest African countries. The United States became a member of the Fund in 1976.

The Bank finances its loan operations primarily from the paid-in capital subscriptions of member countries and funds raised through borrowings or guarantees in international capital markets. Lending operations totaled \$1,663 million as of year-end 1981, with lending concentrated in public utilities (32 percent), industry and development banks (25 percent), transport (24 percent) and agriculture (17 percent).

Although Bank resources have increased significantly, the absence of industrial countries severely limited the Bank's access to world capital markets. In May 1979, the Governors of the African Development Bank agreed, subject to the necessary ratification by member governments, to invite non-African countries to join the Bank. Twenty-one non-regional countries subsequently agreed to subscribe a total of \$2.1 billion to the Bank, 25 percent in paid-in capital and 75 percent in callable capital. The United States share of the non-regional subscription is 17.04 percent, i.e., \$89.93 million in paid-in capital and \$269.80 million in callable capital.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

February 8, 1983

TEXT OF A LETTER FROM THE
PRESIDENT TO THE PRESIDENT OF THE
AFRICAN DEVELOPMENT BANK

February 8, 1983

Dear Mr. President:

On behalf of the United States of America, it gives me great pleasure to accept membership in the African Development Bank in accordance with Board of Governors resolutions 05-79, 06-79, and 07-79.

In accepting membership, I also wish to inform you of the following:

1. The United States of America has completed all steps necessary in accordance with its laws and is prepared to fulfill all the obligations of membership under the Agreement Establishing the Bank.

2. On January 31, 1983, a duly authorized representative of the United States of America signed the Agreement Establishing the Bank and deposited our instrument of acceptance with the United Nations.

3. The United States of America hereby subscribes to 1,491 shares of the paid-up capital stock of the African Development Bank ("Bank"), and 4,473 shares of the callable capital stock of the Bank (inasmuch as pertinent budgetary appropriations have already been obtained); and subscribes, subject to obtaining budgetary appropriations, to an additional 5,964 shares of the paid-up capital stock of the Bank and an additional 17,892 shares of the callable capital stock of the Bank in accordance with the provisions of the General Rules Governing Admission of Nonregional Countries to Membership in the Bank.

4. I have nominated Donald T. Regan, Secretary of the Treasury, to be Governor of the Bank and W. Allen Wallis, Under Secretary of State for Economic Affairs, to be Alternate Governor of the Bank. The Senate is now in the process of confirming these nominations. We will notify you when they have been confirmed.

5. Pursuant to Article 40 of the Agreement Establishing the African Development Bank, the United States of America designates the Department of the Treasury for purposes of communication with the Bank on matters connected with the Agreement,

MORE

(OVER)

and the Federal Reserve Bank of New York as the depository in which the Bank may keep its holdings of the currency of the United States of America or other assets.

6. The United States of America has fulfilled all the legal requirements necessary to make the subscription to the capital stock and to assure that the currency received by the Bank thereunder shall be freely convertible into the currencies of other countries for the purposes of the Bank's operations.

Sincerely,

RONALD REAGAN

Mr. Wila Mung'Ombe
President
African Development Bank
Abidjan, Ivory Coast

amount of the initial payment is determined by applying the value of the annuitant's contract as of the date of annuitization (adjusted for any deductions) to the annuity purchase rate for the annuitant's annuity option, sex, and adjusted age. The specific time when the calculation will be made and the particular deductions that will be made at that time also should be disclosed.

Registrants should disclose that the amount of subsequent annuity payments is determined by multiplying the number of annuity units credited to an annuitant's account by the value of an annuity unit at the time of each payment where (1) the number of annuity units credited to an annuitant's account is determined by dividing the amount of the first annuity payment by the value of an annuity unit at the time of that payment, and (2) the value of an annuity unit changes to reflect investment performance of the underlying portfolio company, adjusted by a factor to neutralize the assumed investment return. Registrants should disclose any deductions affecting the amount of annuity payments, and, where applicable, that changes in the value of an annuity unit reflect deductions of mortality and expense risk charges.

Guide 11. Crediting of Contract Values

Item 10 of Form N-4 requires disclosure about when initial and subsequent purchase payments are credited. Section 22(c) of the 1940 Act (15 U.S.C. 80a-22(c)) and rule 22c-1 (17 CFR 270.22c-1) establish standards for crediting purchase payments for securities of registered investment companies. However, the staff has not objected to disclosure that an initial purchase payment under a variable annuity contract would be credited within two business days of receipt if the contract application and other necessary information were complete as received by the office issuing the contract, and within five business days of receipt if the application and other information were incomplete when received. Registrants following this practice must disclose it and also disclose that, if the initial purchase payment is not credited within five business days, the purchase payment will be immediately returned unless the prospective purchaser has been informed of the delay and specifically requests that the purchase payment not be returned.⁸

Additionally, registrants should disclose any special procedures for crediting initial purchase payments in the case of incomplete applications (e.g., allocation of an initial purchase payment to the sub-account which invests in the money market fund if no sub-account has been specified).

Guide 12. Automatic Annuity Options

Item 8 of Form N-4 calls for disclosure about annuity option choices available to a prospective annuitant and the effect of not specifying a choice. Registrants should disclose any automatic purchase of a fixed annuity (i.e., the annuity selection that will be made by the company if the prospective

annuitant has not chosen an option). The staff has taken the position that an automatic annuity involving a fixed pay out of amounts that have accumulated on a variable basis is not consistent with section 27(c)(1) of the 1940 Act (15 U.S.C. 80a-27(c)(1)). However, the staff does not object to an automatic fixed annuity purchase if the only options available under the variable annuity contract are fixed annuities.

[FR Doc. 85-14886 Filed 6-24-85; 2:45 am]

BILLING CODE 8010-01-01

17 CFR PART 283

[Release Nos. 33-6588-34-22159; 38-888; AFDB-1]

Primary Offerings by the African Development Bank

AGENCY: Securities and Exchange Commission.

ACTION: Final rules.

SUMMARY: The Commission today is adopting a new regulation specifying the periodic and other reports to be filed with it by the African Development Bank. The regulation is virtually identical to the regulations previously adopted by the Commission in connection with primary distributions of securities issued by the International Bank for Reconstruction and Development, the Inter-American Development Bank and the Asian Development Bank.

EFFECTIVE DATE: June 23, 1985.

FOR FURTHER INFORMATION CONTACT:

Carl T. Bodolus, (202) 272-3246, or Martin L. Meyrowitz, (202) 272-3250, Office of International Corporate Finance, Division of Corporation Finance, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission (the "Commission") today adopted rules and regulations specifying the periodic and other reports to be filed with it in connection with the primary distribution of securities issued by the African Development Bank ("AFDB" or "the Bank"). The regulation, which would be designated Regulation AFDB,¹ is virtually identical to Regulations BW,² IA,³ and AD,⁴ which prescribe the

reports to be filed with the Commission by the International Bank for Reconstruction and Development ("IBRD"), the Inter-American Development Bank ("IAD"), and the Asian Development Bank ("AD"), respectively. (These three, along with the African Development Bank, may sometimes be collectively referred to herein as the "Banks".)⁵

I. Background

United States membership in the IBRD, IAD, AD and AFDB was authorized by the Bretton-Woods Agreements Act, the Inter-American Development Bank Act, the Asian Development Bank Act, and the African Development Bank Act (the "Act"), respectively.⁶ Section 9(a) of the Act⁷ and each of the aforementioned Acts provides, in relevant part, that certain securities issued or guaranteed by each of the Banks are "exempted securities" within the meaning of section 3(a)(2) of the Securities Act of 1933⁸ and section 3(a)(12) of the Securities Exchange Act of 1934.⁹ An exemption is also available under the Trust Indenture Act of 1939.¹⁰ Despite the exemptions, each of the Acts requires the Banks to file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be necessary in the public interest or for the protection of investors.¹¹

The organization and financing of the AFDB closely follows the pattern of the other international development banks which preceded it. These development banks differ somewhat from traditional banks. They are non-profit financial institutions which do not accept deposits or make short-term loans. Their shareholders are governments. They are organized to make loans fostering

⁸ Regulation BW was adopted in Securities Act Release No. 3384 (January 8, 1950). Regulation IA was adopted in Securities Act Release No. 4290 (October 23, 1960). Regulation AD was adopted in Securities Act Release No. 4689 (December 18, 1967).

⁹ 22 U.S.C. 286 et seq., Pub. L. No. 78-171, approved July 31, 1963; 22 U.S.C. 283 et seq., Pub. L. No. 86-147, approved August 7, 1959; 22 U.S.C. 285 et seq., Pub. L. No. 86-389, approved March 18, 1960; 22 U.S.C. 2901, Pub. L. No. 87-35, approved August 13, 1961, respectively.

¹⁰ 22 U.S.C. 2901-04.

¹¹ 15 U.S.C. 77e-77aa (1976 and Supp. V 1981), as amended by the Business Regulatory Reform Act of 1982, Pub. L. No. 97-261, § 18(d), 96 Stat. 1121 (1982); specifically 15 U.S.C. 77c(a)(2).

¹² 15 U.S.C. 78a-78kk (1976 and Supp. V 1981), as amended by the Act of June 6, 1983, Pub. L. No. 98-36, specifically 15 U.S.C. 78c(a)(12).

¹³ 15 U.S.C. 77aaa-77bbbbb, as amended, specifically 15 U.S.C. 77d(d)(4).

¹⁴ See note 7, supra.

⁸ The Commission proposed codifying these standards in an amendment to rule 22c-1 under the Act. See Investment Company Act Release No. 13673 (May 1, 1984) [49 FR 19320 (May 7, 1984)].

¹⁷ 17 CFR Part 283.

¹⁸ 17 CFR Part 285.

¹⁹ 17 CFR Part 286.

²⁰ 17 CFR Part 287.

economic and social development within certain limitations embodied in their charters. These activities are financed primarily through paid-in capital by members and through borrowing in international capital markets.

As is the case with the other development banks, public offerings in the United States of securities issued or guaranteed by the AFDB would be subject to a number of safeguards both in the Bank's charter and provided for in the Act. First, the capital structure of the Bank is such that its obligations, in effect, rest ultimately on the credit of its member countries, one of which is the United States. Member countries subscribe to capital shares, a percentage of which are paid-in and a percentage of which are subject to call if necessary to meet the Bank's obligations. In the event of default, the Bank would issue a call, on a pro rata basis, to member countries for the amount necessary to meet the obligations. A second call could issue to make up any deficiencies caused by member countries' failure to meet the initial pro rata share.

The Act also provides certain safeguards, modeled on the provisions governing the other development banks in which the United States participates. First, before the AFDB issues any securities in the United States, approval would be required of the National Advisory Council on International Monetary and Financial Problems (the "NAC") under the general direction of the President.¹² Secondly, although the Bank's securities are exempt, the Act, as previously indicated, also provides that the Bank will file with the Commission such annual and other reports as the Commission considers appropriate. Finally, the Act authorizes the Commission, after consulting with such agency or officer as the President designates, to suspend the exemption in whole or in part at any time.¹³

II. Synopsis of Regulation AFDB

Regulation AFDB, and the rules thereunder, require the Bank to file with

the Commission quarterly financial reports and copies of the annual report to its governing board.

The quarterly financial reports will be required to be filed with the Commission within 60 days after the end of each fiscal quarter. This time period is consistent with Regulation AD, but longer than that provided in Regulations IBRD and IAD, which allow only 45 days. The reason for giving the AFDB and the AD additional time is that the main offices of the AFDB and the AD are in Africa and the Philippines, respectively, while the main offices of the IBRD and the IAD are located in the United States.

The Bank will also be required to file a report with the Commission on or prior to the date on which any of its primary obligations are sold to the public in the United States. Schedule A under Regulation AFDB sets forth the information and documents to be furnished in a report filed with respect to a distribution of primary obligations of the Bank.

The Commission has been informed by the Bank that no public offering of securities guaranteed by the Bank is presently contemplated in the United States. Accordingly, the new rules, insofar as they require the reporting of the proposed public sale of securities, are limited to the sale of primary obligations of the Bank. Rules with respect to reporting the sale of securities guaranteed by the Bank will be proposed by the Commission when and if the need therefor arises. Regulations BW, IA, and AD likewise are limited to primary obligations only.

List of Subjects in 17 CFR Part 288

Reporting and recordkeeping requirements, Securities.

IV. Text of Amendment

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is amended as follows:

1. By adding new PART 288 to read as follows:

PART 288—GENERAL RULES AND REGULATIONS PURSUANT TO SECTION 9(a) OF THE AFRICAN DEVELOPMENT BANK ACT

Sec.

288.1 Applicability of this Part.

288.2 Periodic reports.

288.3 Reports with respect to proposed distribution of primary obligations.

288.4 Preparation and filing of reports.

288.101 Schedule A. Information required in reports pursuant to § 288.3

Authority: Sec. 9(a), 95 Stat. 743, 22 U.S.C. 2801-9a.; sec. 19(a), 48 Stat. 85, 15 U.S.C. 779(a).

§ 288.1 Applicability of this Part.

This Part (Regulation AFDB) prescribes the reports to be filed with the Securities and Exchange Commission by the African Development Bank pursuant to section 9(a) of the African Development Bank Act.

§ 288.2 Periodic reports.

(a) Within 60 days after the end of each of its fiscal quarters, the Bank shall file with the Commission the following information:

(1) Information as to any purchases or sales by the Bank of its primary obligations during such quarter.

(2) Two copies of the Bank's regular quarterly financial statement; and

(3) Two copies of any material modifications or amendments during such quarter of any exhibits (other than (i) constituent documents defining the rights of holders of securities of other issuers guaranteed by the Bank, and (ii) loans and guaranty agreements to which the Bank is a party) previously filed with the Commission under any statute.

(b) Two copies of each annual report of the Bank to its Board of Governors shall be filed with the Commission within 10 days after the submission of such report to the Board of Governors.

§ 288.3 Reports with respect to proposed distribution of primary obligations.

The Bank shall file with the Commission, on or prior to the date on which it sells any of its primary obligations in connection with a distribution of such obligations in the United States, a report containing the information and documents specified in Schedule A (17 CFR 288.101). The term "sell" as used in this section and in Schedule A means the making of a completed sale or a firm commitment to sell.

§ 288.4 Preparation and filing of reports.

(a) Every report required by this regulation shall be filed under cover of a letter of transmittal which shall state the nature of the report and indicate the particular rule and subdivision thereof pursuant to which the report is filed. At least the original of every such letter shall be signed on behalf of the Bank by a duly authorized officer thereof.

(b) Two copies of every report, including the letter of transmittal, exhibits and other papers and documents comprising a part of the report, shall be filed with the Commission.

(c) The report shall be in the English language. If any exhibit or other paper or document filed with the report is in a

¹² 22 U.S.C. 2801-3. The NAC was created to coordinate the policies and operations of representatives of the United States on the development banks or on agencies otherwise engaged in foreign financial transactions. It is composed of the Secretary of the Treasury (Chairman), the Secretaries of State and Commerce, the Chairman of the Federal Reserve Board and the President of the Export-Import Bank of Washington. 22 U.S.C. 2808. See Executive Order No. 11288 of February 14, 1966 (as amended by Ex. Or. No. 11334, March 2, 1967) (providing that the Chairman may consult with interested but unrepresented agencies and may invite them to designate representatives to participate in NAC deliberations).

¹³ 22 U.S.C. 2801-9(b).

foreign language, it shall be accompanied by a translation into the English language.

(d) Reports pursuant to Rule 3 (17 CFR 288.3) may be filed in the form of prospectus to the extent that such prospectus contains the information specified in Schedule A (17 CFR 288.101).

§ 288.101 Schedule A. Information required in reports pursuant to § 288.3.

This schedule specifies the information and documents to be furnished in a report pursuant to Rule 3 (17 CFR 288.3) with respect to a proposed distribution of primary obligations of the Bank. Information not available at the time of filing the report shall be filed as promptly thereafter as possible.

Item 1: Description of obligations.

As to each issue of primary obligations of the Bank which is to be distributed, furnish the following information:

- (a) The title and date of the issue.
- (b) The interest rate and interest payment dates.
- (c) The maturity date or, if serial, the plan of serial maturities. If the maturity of the obligation may be accelerated, state the circumstances under which it may be so accelerated.

(d) A brief outline of (i) any redemption provisions and (ii) any amortization, sinking fund or retirement provisions, stating the annual amount, if any, which the Bank will be under obligation to apply for the satisfaction of such provisions.

(e) If secured by any lien, the kind and priority thereof, and the nature of the property subject to the lien; if any other indebtedness is secured by an equal or prior lien on the same property, state the nature of such other liens.

(f) If any obligations issued or to be issued by the Bank will, as to the payment of interest or principal, rank prior to the obligations to be distributed, describe the nature and extent of such priority.

(g) Outline briefly any provisions of the governing instruments under which the terms of the obligations to be distributed may be amended or modified by the holders thereof or otherwise.

(h) Outline briefly any other material provisions of the governing instruments pertaining to the rights of the holders of the obligations to be distributed or pertaining to the duties of the Bank with respect thereto.

(i) The name and address of the fiscal or paying agent of the Bank, if any.

Item 2. Distribution of obligations.

(a) Outline briefly the plan of distribution of the obligations and state the amount of the participation of each principal underwriter, if any.

(b) Describe any arrangements known to the Bank or to any principal underwriter named above designed to stabilize the market for the obligations for the account of the Bank or the principal underwriters as a

group and indicate whether any transactions have already been effected to accomplish that purpose.

(c) Describe any arrangements for withholding commissions, or otherwise, to hold each underwriter or dealer responsible for the distribution of his participation.

Item 3. Distribution spread.

The following information shall be given, in substantially the tabular form indicated, as to all obligations which are to be offered for cash (estimate, if necessary):

	Price to the public	Selling discounts and commissions	Proceeds to the bank
Per Unit _____			
Total _____			

Item 4. Discounts and commissions to sub-underwriters and dealers.

State briefly the discounts and commissions to be allowed or paid to dealers. If any dealers are to act in the capacity of sub-underwriters and are to be allowed or paid any additional discounts or commissions for acting in such capacity, a general statement to that effect will suffice, without giving the additional amounts to be so paid.

Item 5. Other expenses of the distribution.

Furnish a reasonably itemized statement of all expenses of the Bank in connection with the issuance and distribution of the obligations, except underwriters' or dealers' discounts and commissions.

Instruction. Insofar as practicable, the itemization shall include transfer agents' fees, cost of printing and engraving, and legal and accounting fees. The information may be given as subject to future contingencies. If the amounts of any items are not known, estimates, designated as such, shall be given.

Item 6. Application of proceeds.

Make a reasonable itemized statement of the purposes, so far as determinable, for which the net proceeds to the Bank from the obligations are to be used, and state the approximate amount to be used for each such purpose.

Item 7. Exhibits to be furnished.

The following documents shall be attached to or otherwise furnished as a part of the report:

(a) Copies of the constituent instruments defining the rights evidenced by the obligations.

(b) Copies of an opinion of counsel, in the English language, as to the legality of the obligations.

(c) Copies of all material contracts pertaining to the issuance or distributions of the obligations, to which the Bank or any principal underwriter of the obligations is or is to be a party, except selling group agreements.

(d) Copies of any prospectus or other sales literature to be provided by the Bank or any of the principal underwriters for general use in connection with the initial distribution of the obligations to the public.

V. Statutory Authority

The Commission finds that the notice and public procedure pursuant to the Administrative Procedure Act are unnecessary for the following reasons:

(1) The African Development Bank is virtually identical in purpose and structure to the other international development banks; (2) the regulations adopted herein are virtually identical to those for the other international development banks, each of which was adopted without prior exposure to public comments; (3) the special character of the AFDB and its operation; (4) the Commission has never received a letter of complaint regarding any of the international development banks, their rules or disclosure requirements; and (5) the views of the AFDB have been received and considered.

In addition, the effective guarantee of the Bank's obligations by member nations, including the United States; the required prior approval of the United States Government for any offerings in the United States; and the Commission's authority to suspend the exemptions at any time constitutes substantial investor protection.

The Commission further finds, for the reasons set forth above, that there is good cause to make the rules adopted herein effective upon publication in the Federal Register. The Bank will be in a position to proceed immediately with public offerings of its securities in the United States if it so decides.

The Commission is adopting Regulation AFDB pursuant to section 9(a) of the African Development Bank Act and section 19(a) of the Securities Act of 1933.

By the Commission.

Shirley E. Hollis,

Assistant Secretary.

June 18, 1985.

Securities and Exchange Commission
Regulatory Flexibility Act Certification

I, John S.R. Shad, Chairman of the Securities and Exchange Commission, hereby certify, pursuant to 5 U.S.C. 605(b), that the rules relating to the exemptive regulation for the securities of the African Development Bank (the "Bank") contained in Securities Act Release No. 33-6589 will not, if promulgated, have a significant economic impact upon a substantial number of small entities. The reason for this certification is that the rules apply

2/8/89
HB 355

TESTIMONY

House Bill 355

Submitted by James Borchardt

Montana Insurance Department

February 8, 1989

This bill specifically permits the investment by insurers in the African Development Bank through the amendment of Section 33-2-817, MCA. The Montana Insurance Department has no objection to an insurer investing in the African Development Bank, since this is a recognized agency or instrumentality of government.

Our Department does, however, question the need for this specific addition to the law, since insurers already have authority to invest in the African Development Bank under Section 33-2-829, MCA. This part of the law permits insurers to invest up to 5% of their assets in investments not expressly permitted elsewhere in the law.

Since a number of entities similar to the African Development Bank exist which also are not enumerated in the law, such as the Asian Development Bank, why single out this one for inclusion? The Montana Insurance Department's position is that such inclusions needlessly clutter up the law.

For this reason, our Department suggests a "do not pass" on House Bill 355.

SECTION 12

Revenue, Special Obligation and Special Assessment Obligations Governments and Their Political Subdivisions and Authorities Including Non-Guaranteed Obligations of Agencies and Instrumentalities of Governments For Explanation of Symbols See -Symbols- Page in Introduction Non-Guaranteed Obligations of Agencies and Instrumentalities of Governments

2000001600	African Development Bank		2000016580	4 1/2% Nov 1 1992 (Sw Fr)	— Yes
2000001615	6 1/4% Nov 20 1994 (Sw Fr)	— Yes X	2000016585	6.80% Dec 1 1992 (Jap Yen)	— Yes
2000001625	8% Apr 12 1991 (D M)	— Yes X	2000016600	7% 1993	— Yes X
2000001660	10% Note 11-1-97	— Yes X	2000016610	10.90% Mar 15 1993 Notes	105 Yes X
2000001665	10 1/2% Eurobond Nov 1 1995	— Yes X	2000016625	10 3/4% Notes May 15 1993	102 Yes X
2000001675	13 1/4% 12/1/89 Five Yr Sub Notes 1984	— Yes X	2000016637	9.02% July 10 1003 Colts	— Yes X
2000001685	13 1/4% 12-1-94 Ten Yr Sub S F Notes /84	— Yes X	2000016640	6 1/2% July 28 1993	— Yes
2000002000	Asian Development Bank		2000016641	9.050% Med Term Note July 30 1993	— Yes
2000002010	0% Notes 7/15/92	— Yes	2000016645	9.13% Aug 5 1993	— Yes X
2000002050	Floating % (Tranche B) Feb 20 2000-Sw Fr	— Yes X	2000016652	4.25% Sept 1 1993 (Sw Fr)	— Yes
2000002051	5.3% 2-25-02 (Samurai)	— Yes	2000016655	5 1/4% Sept 1 1993	87 Yes X
2000002055	5 1/4% (Tranche A) Feb 20 1997 (Sw Fr)	— Yes X	2000016660	7.375% Dec 15 1993	— Yes X
2000002060	6% Feb 3 1994 (Sw Fr)	— Yes X	2000016665	0% Feb 15 1994	— Yes X
2000002064	6 1/4% July 24 1994 (Sw Fr)	— Yes X	2000016675	6 1/4% Mar 15 1994	89 Yes X
2000002070	6 1/4% July 13 1995 (Sw Fr)	— Yes X	2000016677	7.45 Mar 25 1994	— Yes
2000002088	7.00% 11-19-99 (Samurai)	— Yes	2000016681	9.58% Sept 15 1994	— Yes X
2000002090	7 1/4% Aug 1 1989 (D M)	— Yes	2000016685	6 1/4% Oct 1 1994	88 Yes X
2000002100	7 1/4% Mar 15 1991 Notes (D M)	— Yes	2000016688	9.20% Nov 15 1994 Colts Ser B	— Yes
2000002105	7 1/4% Bonds of 1971 Due 1996	— Yes X	2000016692	11 1/4% Dec 15 1994 Notes 1984	— Yes X
2000002115	8% Euro Notes 12-10-96	— Yes	2000016705	0% Feb 15 1995	— Yes
2000002150	11 1/4% May 1 1998	— Yes X	2000016710	8 1/4% 1995 25 Yr of 1970	95 Yes X
2000002155	11.75% Eurobond 11-16-93	— Yes	2000016718	9.25% May 17 1995	— Yes
2000006000	Canadian Wheat Board		2000016719	9.270% June 1995	— Yes
2000006075	12 1/4% 2001 Secured Notes	— Yes	2000016720	8.625% Aug 1 1995	— Yes
2000006100	14 1/4% 2001 Cond Sale Indebtedness	— Yes	2000016725	10.50% Aug 15 1995 Shotgun	— Yes
2000006125	16 1/4% 2001 C S A Notes	— Yes X	2000016735	9.25% Nov 30 1995 Notes	— Yes
2000006140	16 1/4% 2001 C S A Clts of Int A & B	— Yes X	2000016748	5.75% Aug 7 1996 Euroyen	— Yes
2000007000	Central American Bank for		2000016750	8 1/4% Aug 1 1996	92 Yes X
2000007001	Econ Integration Tegucigalpa Honduras		2000016765	7.30% Oct 1 1996	— Yes
2000007075	8 1/4% 2001 US Govt Gtd Note	— Yes X	2000016769	4.625% May 12 1997 (Jpy)	— Yes
2000007105	9 1/4% 2000 Notes	— Yes	2000016775	4.25% June 3 1997 (Jpy)	— Yes
2000007160	12 1/4% Feb 1 2014 Note (Aid)	— Yes	2000016790	9 1/4% Oct 1 1997 Notes	— Yes X
2000010000	Guam Airport Authority		2000016799	9.80 Oct 31 1997 Notes	— Yes
2000010075	7 1/4% 1993 Spl Fac Fueling Sys Rev		2000016810	11.125% Jan 13 1998 Euro Bds	— Yes
2000010076	1978 (Lockheed)	— Yes	2000016815	8.970% Mar-18-1998	— Yes
2000010090	7 1/2% 1991 Genl Rev 1979	— Yes	2000016819	7.90% Note April 1 1998	— Yes
2000010110	8% 2004 Genl Rev 1979	— Yes	2000016820	9.58% May-20-1998	— Yes
2000011000	Guam Economic Development Authority		2000016827	9.62% Sept 1 1998	— Yes X
2000011100	11 1/4% 2013 1981 Res Mtg Rev (F H A)	— Yes X	2000016829	10.50% Sept 15 1998	— Yes X
2000011135	6.75% 2018 Multifam Mtg Rev Var Mtg Series C	— Yes X	2000016830	11.00% Sept 15 1998	— Yes X
2000012000	Guam Power Authority		2000016838	10.625% Oct 15 2000 Eurodollar Notes	— Yes
2000012065	6.10% 2007 Rev 1972 A	89 No**	2000016850	9.35% Dec 15 2000	98 Yes X
2000016000	International Bank for Recon & Dev		2000016858	10.00% Feb 15 2001 Eurodollar Notes	— Yes
2000016302	Floating % May 1 1989 Notes	— Yes X	2000016880	8.85% 7-1-01 25 Yr Bond 1976	95 Yes X
2000016325	11% Oct 15 1989 Seven Yr Notes of 1982	101 Yes X	2000016910	8 1/4% 12-1-01 25 Year Bonds 1976	91 Yes X
2000016370	Floating % Jan 15 1990 Five-Year Notes	— Yes X	2000016940	8 1/4% May 1 2002	90 Yes X
2000016375	7% 1990 S F Deb -Can Funds	— Yes	2000016965	8.35% 8-1-02 25 Yr Bonds 1977	91 Yes X
2000016385	5 1/4% 1990 Issued 1965	— Yes	2000016985	12 1/4% Oct 1 2002	121 Yes X
2000016395	4 1/4% Feb 1 1990	95 Yes X	2000016987	12.375% Oct 15 2002 Euro	— Yes
2000016405	5 3/4% 2/1/90 D M	— Yes	2000017100	8 1/4% May 1 2005	— Yes X
2000016407	6.699% Notes 2-11-90	— Yes	2000017130	10.50% Mar 2 2008 Notes	80 Yes
2000016408	0% Feb 15 1990	— Yes	2000017400	14.241% Feb-15-2010	— Yes
2000016425	Floating % Apr 1 1990 Five-Yr Notes	— Yes	2000017500	13.647% Aug 15 2010	— Yes
2000016436	0% Aug 15 1990	— Yes X	2000017600	9.75% Jan-23-2016	— Yes
2000016450	5 1/4% 1991	— Yes	2000017750	8.651% Feb 15 2016	— Yes
2000016455	0% Feb 15 1991	— Yes	2000017752	9.25% Mar-20-2016	— Yes
2000016459	7.01% April 1 1991	— Yes	2000017753	8.25% Sept 1 2016	— Yes
2000016465	5 1/4% July 1 1991	92 Yes X	2000017755	8 1/4% Oct 15 2016	— Yes
2000016466	8.70% July 19 1991 Colts	— Yes X	2000017756	8.80% Oct 15 2016 Colts	— Yes X
2000016470	8.85% Aug 15 1991	— Yes X	2000017799	8.75% July 1 2017 Notes	— Yes X
2000016475	7 3/4% D M Note 7/1/91	— Yes	2000017800	9.25% July 15 2017	— Yes
2000016500	16 1/4% Notes Nov 1 1991	118 Yes X	2000017815	9.90% Aug-31-2017	— Yes
2000016510	15 1/4% Dec 15 1991 Ten Yr Notes of 1981	115 Yes X	2000017825	9.50% Sept 17 2018	— Yes X
2000016520	6 1/4% 1992 -Can Funds	— Yes X	2000017900	8 1/4% Mar 1 2026 40 Yr Bonds 1986	— Yes
2000016540	5 1/4% Apr 1 1992	89 Yes X	2000019000	Inter-American Development Bank	
2000016555	14 1/4% June 1 1992 Notes	115 Yes X	2000019120	15% Apr 1 1989 Notes	— Yes X
2000016570	13 1/4% Sept 1 1992 Ten Year Notes	— Yes X	2000019160	0% Dec 16 1989 Note	— Yes
			2000019195	0% Dec 16 1990 Note	— Yes
			2000019215	0% June 16 1991 Note	— Yes
			2000019220	12.75% Nov 7 1991 Note	— Yes
			2000019238	0% June 16 1992 Note	— Yes
			2000019250	14 1/4% Aug 1 1992	— Yes X

SECTION 12 — REVENUE AND SPECIAL OBLIGATION BONDS

2000018290	6¼% Dec 1 1992 Sw Fr	—	Yes X	2000023670	10.00% Oct 1 2002	—	Yes
2000018293	11% Dec 11 1992	—	Yes	2000023677	10.00% Nov 1 2002	—	Yes
2000019350	6¼% June 8 1993 Sw Fr	—	Yes	2000023680	10.00% 12-1-02	—	Yes
2000019353	0% June 16 1993 Ctf of Accrual	—	Yes	2000023685	9.40% Sept 15 2003 Gtd Mtg Ctf	—	Yes
2000019375	12¼% Oct 1 1993 Notes	—	Yes	2000023717	8.20% Mar 15 2005 Gtd Mtg Ctf	—	Yes
2000019385	6% Oct 28 1993 Sw Fr	—	Yes X	2000023720	8.65% Cmo-Mcl-M-Sb/E June 1 2005	—	Yes
2000019400	0% June 16 1994 Note	—	Yes	2000023725	8¼% 9-15-05 Gtd Mtg Ctf	—	Yes
2000019425	13¼% Aug 15 1994 Ten-Year Notes 1984	—	Yes	2000023740	8.55% 3-15-06 Gtd Mtg Ctf	—	Yes
2000019429	6¼% Nov 9 1994 Sw Fr	—	Yes X	2000023755	8¼% 9-15-06 Gtd Mtg Ctf	—	Yes
2000019430	11¼% Dec 1 1994 Ten Year Notes 1984	—	Yes X	2000023770	8.05% Mar 15 2007	—	Yes
2000019433	0% Dec 16 1994	—	Yes	2000023775	8¼% Mar 15 2007	—	Yes
2000019454	11¼% May 1 1995 Notes	108	Yes X	2000023780	8% Apr 2007	—	Yes
2000019460	10.50% Sept 11 1995 Euro Dollar	—	Yes	2000023790	9.25% 6-15-07 C M O Ser 21 Cl D	—	Yes
2000019464	9.875% Dec 23 1995	—	Yes	2000023800	8.20% 9-15-07	—	Yes
2000019465	6% Apr 5 1996 Sw Fr	—	Yes X	2000023825	8.50% 12-1-07	—	Yes
2000019470	7.625% Sept 10 1996 Notes	—	Yes	2000023840	8.85% Mar 15 2008	—	Yes
2000019530	7.50% Dec 15 1996 Notes	—	Yes	2000023845	8.75% 4/1/08	—	Yes
2000019531	0% Dec 16 1996	—	Yes	2000023860	9.25% 7/1/08	—	Yes
2000019543	9.50% Oct 15 1997	—	Yes	2000023875	9% Sept 15 2008	—	Yes
2000019545	6.4% 2-26-98 (Samurai)	—	Yes	2000023880	9.40% Sept 15 2008	—	Yes
2000019549	6.2% 10-11-00 (Samurai)	—	Yes	2000023884	8% Oct 1 2008	—	Yes
2000019550	9% Feb 1 2001	—	Yes	2000023885	9¼% 10/1/08 Pool 16-063	—	Yes
2000019600	8¼% 7-15-01 25 Yr Bond 1976	—	Yes X	2000023890	9¼% Nov 1 2008	—	Yes
2000019620	8.375% June 1 2002 Bond	—	Yes	2000023925	9¼% Mar 15 2009	—	Yes
2000019630	8¼% 2002 25 Yr Bond 1977	—	Yes X	2000023930	10¼% Mar 15 2009 Gtd Mtg Ctf	—	Yes
2000019730	9¼% Jan 15 2004	—	Yes X	2000023960	10% Sept 15 2009 Gtd Mtg Ctf	—	Yes
2000019850	12¼% Dec 15 2008	—	Yes	2000023965	12.45% Sept 15 2009 Gtd Mtg Ctf	—	Yes
2000019950	8.5% Mar 15 2011	—	Yes	2000023970	12% Oct 1 2009 Pool 16-093	—	Yes
2000020100	United States of America			2000024020	12.35% Sept 15 2010 Class F-4	—	Yes
2000022000	Farm Credit Systems Financial Asst Corp			2000024200	11% Mar 1 2011	—	Yes
2000022090	9.375% Bonds July 21 2003	—	Yes X	2000024215	7.76% May 1 2012 Cmo Ser K Cl K-5	—	Yes
2000023100	Federal Home Loan Mortgage Corp			2000024220	11¼% June 15 2013 Class A-3	—	Yes
2000023101	All Pass Thru Cfts	—	Yes	2000024245	13% 1 2013	—	Yes
2000023102	Part Ctps - All Issues	—	Yes	2000024250	12¼% Sept 30 2013 Class B-3	—	Yes
2000023103	All Pooled Mtg	—	Yes	2000024330	12.90% May 1 2014 Class D-4	—	Yes
2000023185	11.35% Jan 31 1989 Coll Mtg Obl Class C-2	—	Yes	2000024400	10.25% Dec 31 2014 Coll Mtg Obl	—	Yes
2000023210	11% May 31 1989 Coll Mtg Obl E-1	—	Yes	2000024410	11.10% Jan 31 2015 Class H-4	—	Yes
2000023225	11.10% Sept 15 1989 Class F-1	—	Yes	2000024450	12¼% May 1 2015 Class G-4	—	Yes
2000023230	12.20% Cap Debs Oct 6 1989	—	Yes	2000024515	8.80%dec 1 2015 Class M-6	—	Yes
2000023232	10¼% Nov 1 1989 Class G-1	—	Yes	2000024575	8.25% June 1 2016 Sub Cap Deb	—	Yes
2000023237	8.80% Jan 31 1990 Class H-1	—	Yes	2000024900	9.70% Ser 17-H 6-15-18	—	Yes
2000023245	10.80% Mar 30 1990 Deb	—	Yes	2000024910	10.00% C M O 10-D 7-15-18	—	Yes X
2000023247	12% Mar 15 1991 Class-2	—	Yes	2000024940	9.50% Ser 11-C 4-2019	—	Yes
2000023248	12¼% May 1 1991 Class D-2	—	Yes	2000024960	9.50% C M O 8-G 6-15-19	—	Yes X
2000023257	11.75% May 31 1991 Class E-2	—	Yes	2000024985	9.10% Ser 16-A 10-2019	—	Yes
2000023275	11.85% Debs Aug 30 1991	106	Yes	2000024990	0% Nov 8 2019 Deb	67	Yes
2000023279	11¼% Nov 1991 Class G-2	—	Yes	2000024991	9.70% C M O 12-B 11-15-19	—	Yes X
2000023280	9.625% Nov 30 1991 Coll Mtg Obl Class I-3	—	Yes	2000024995	0% Nov 29 2019 Deb	—	Yes
2000023283	9.90% Jan 31 1992 Class H-2	—	Yes	2000026100	Federal National Mortgage Assn		
2000023290	0% Cap Debs June 23 1992	67	Yes	2000026105	Gtd FNMA Pools-Pass Thru-Mtg Bkd All Iss	—	Yes
2000023313	8.75% Sept 15 1993 Gtd Mtg Ctf	—	Yes	2000026525	11.10% Jan 10 1989 Deb	100	Yes
2000023330	11.875% Jan 31 1994 Coll Mtg Obl Class C-3	—	Yes	2000026530	11.60% Feb 10 1989 Deb	100	Yes
2000023332	8.20% Mar 15 1994 Gtd Mtg Ctf	—	Yes	2000026535	12.10% Mar 10 1989	100	Yes
2000023335	12¼% May 1 1994 Class D-3	—	Yes	2000026542	7.55% Apr 10 1989	99	Yes
2000023342	12% Nov 30 1994 Coll Mtg Obl E-3	—	Yes	2000026550	15¼% May 10 1989 Cap Debs	—	Yes
2000023343	0% Nov 30 1994	52	Yes	2000026555	9.30% June 12 1989	100	Yes
2000023360	12¼% Mar 15 1995 Class F-3	—	Yes	2000026557	9.50% June 12 1989	100	Yes
2000023362	7.95% April 3 1995	—	Yes	2000026560	8% July 10 1989	99	Yes
2000023364	7.875% May 1 1995 Coll Mtg Obl L-4	—	Yes	2000026563	10.05% Aug 10 1989	100	Yes
2000023365	11.40% May 1 1995 Sub Cap Deb	—	Yes X	2000026565	13¼% Aug 10 1989 Deb	102	Yes
2000023366	11.55% May 1 1995 Class G-3	—	Yes	2000026575	12.10% Oct 10 1989 Deb	102	Yes
2000023373	10.45% July 31 1995 Class H-3	—	Yes	2000026578	12¼% Oct 10 1989 Debs	102	Yes
2000023390	11¼% Dec 15 1995 1983-A Class A-2	—	Yes	2000026581	9.85% Nov 10 1989	—	Yes
2000023420	8.05% Mar 15 1996	—	Yes	2000026583	11.80% Nov 10 1989 Deb	102	Yes
2000023425	8.20% A 3-15-96	—	Yes	2000026587	6.5% Dec 11 1989	97	Yes
2000023427	8.55% A Mar 15 1996 Gtd Mtg Ctf	—	Yes	2000026590	11.30% Dec 11 1989 Deb	101	Yes
2000023430	11¼% Mar 31 1996 Class B-2	—	Yes	2000026593	11.70% Dec 11 1989 Deb	—	Yes
2000023450	7¼% 8/26/96 Gtd Mtg Cfts	—	Yes	2000026600	11.45% Jan 10 1990 Deb	102	Yes
2000023458	8.65% Oct 1 1996 Sub Capt Deb	—	Yes	2000026607	11.05% Feb 13 1990 Deb	102	Yes
2000023460	8.60% Oct 30 1996	—	Yes	2000026613	8.65% Mar 12 1990	99	Yes
2000023465	8¼% Dec 1 1996 Cmo-Series M 3	—	Yes	2000026619	7.35% Apr 10 1990	—	Yes
2000023468	7.5% Feb 1 1997	—	Yes	2000026625	10.30% May 10 1990 Deb	101	Yes
2000023470	7.15% May 26 1997	—	Yes	2000026629	11.15% May 10 1990	102	Yes
2000023472	9.00% May 21 1997	—	Yes	2000026645	9.85% July 10 1990 Debs	101	Yes
2000023474	7¼% Mar 1 1997 Part Cert #7	—	Yes	2000026660	10% Sept 10 1990	101	Yes
2000023475	7.5% Mar 15 1997	—	Yes	2000026667	10.15% Oct 10 1990	101	Yes
2000023479	9% June 1 1997	—	Yes	2000026673	7.00% Nov 12 1990 Deb	96	Yes
2000023483	8.375% Sept 15 1997	—	Yes	2000026675	10.90% Nov 12 1990 Debs	102	Yes
2000023485	8.55% Due 1998 Series M Class M-4 Cmo	—	Yes	2000026680	8.40% Dec 12 1990	—	Yes
2000023515	8.25% June 30 1999 Coll Mtg Oblig A-3	89	Yes	2000026683	9.10% Dec 10 1990	—	Yes
2000023550	8¼% Sept 15 1999	—	Yes	2000026685	11.80% Dec 10 1990 Deb	104	Yes
2000023560	8% Nov 1999	—	Yes X	2000026689	8.375% Jan 10 1991	—	Yes
2000023570	10.50% Jan 1 2000	100	Yes	2000026690	8¼% Jan 10 1991	—	Yes
2000023580	8¼% Mar 15 2000	—	Yes	2000026693	6.90% Feb 11 1991	—	Yes
2000023583	6.50% Apr 1 2000 Coll Mtg Obl	—	Yes	2000026695	7.65% Feb 11 1991	97	Yes
2000023598	10.00% Jan 1 2001	—	Yes	2000026700	12% Mar 11 1991 Deb	105	Yes
2000023600	10.50% Feb 1 2001	—	Yes	2000026705	12¼% Mar 15 1991 Exch Deb	—	Yes
2000023610	8¼% Mar 15 2001 Gtd Mtg Ctf	—	Yes	2000026715	7.20% April 10 1991	96	Yes
2000023625	7.9% May 1 2001 Coll Mtg Oblig Ser L-5	—	Yes	2000026719	7.45% May 10 1991	—	Yes
2000023640	10.00% Nov 1 2001	—	Yes	2000026723	8.55% June 10 1991	98	Yes
2000023660	9.50% Sept 1 2002	—	Yes	2000026730	7.65% July 10 1991 Debs	96	Yes
				2000026735	8.40% Aug 12 1991	—	Yes

SECTION 12 — REVENUE AND SPECIAL OBLIGATION BONDS

00026736	8.70% Aug 12 1991	—	Yes	2000033515	11.35% Apr 20 1990	102	Yes
00026740	7.0% Sept 10 1991	95	Yes	2000033530	14.10% June 1 1990	106	Yes
00026747	7½% Oct 10 1991 Deb	95	Yes	2000033538	9.55% July 23 1990	100	Yes
00026750	7.80% Oct 10 1991	97	Yes	2000033540	10.40% July 23 1990	101	Yes
00026755	9.55% Nov 12 1991	—	Yes	2000033555	12½% Sept 4 1990	105	Yes
00026764	11½ Dec 10 1991 Euro Doll	—	Yes	2000033565	10.60% Oct 22 1990	102	Yes
00026768	11¼% Dec 10 1991 Deb	—	Yes	2000033615	7.55% April 22 1991	—	Yes
00026770	8.50% Jan 10 1992	91	Yes	2000033620	14.10% Apr 22 1991	110	Yes
00026790	7% Mar 10 1992	94	Yes	2000033650	9.10% July 22 1991 Cons	99	Yes
00026797	12% Apr 10 1992 Deb	107	Yes	2000033660	14.70% July 22 1991	112	Yes
00026805	8.45% May 11 1992	98	Yes	2000033690	10.60% Oct 21 1991	103	Yes
00026815	7.05% June 10 1992	93	Yes	2000033700	13.65% Dec 2 1991	111	Yes
00026820	10.125% June 10 1992	102	Yes	2000033706	11½% Jan 20 1992	105	Yes
00026837	8.45% July 10 1992	—	Yes	2000033710	15.20% Jan 20 1992	116	Yes
00026845	9.15% Sept 10 1992	99	Yes	2000033745	13¼% July 20 1992	113	Yes
00026852	10.60% Oct 12 1992	104	Yes	2000033800	10.65% Jan 20 1993	105	Yes
00026858	6.35% Nov 15 1992 Yen Deb	—	Yes	2000033805	10.95% Jan 22 1993	—	Yes
00026862	9.00% Dec 10 1992	—	Yes	2000033850	11.80% Oct 20 1993	110	Yes
00026864	9.875% Dec 10 1992	102	Yes	2000033855	11½% Oct 28 1993	—	Yes
00026870	10.90% Jan 11 1993	105	Yes	2000033892	12.35% Mar 1 1994	112	Yes
00026880	7.95% Feb 10 1993 Deb	—	Yes	2000033900	14.25% Apr 20 1994	120	Yes
00026888	7.90% Mar 10 1993	95	Yes	2000033930	13% Sept 1 1994	116	Yes
00026890	10.95% Mar 10 1993 Deb	106	Yes	2000033965	11.45% Dec 1 1994	109	Yes
00026895	8.45% Apr 1 1993 Yld Curve Note	—	Yes	2000033990	7.50% Dec 24 1996	—	Yes
00026898	7.55% Apr 12 1993	—	Yes	2000034150	11.90% Oct 20 1997	114	Yes
00026900	10¼% Apr 12 1993 Deb	105	Yes	2000034500	12.40% Jan 2 2004 Cons A	—	Yes
00026910	10¼% May 10 1993 Debs	104	Yes	2000036100	Federal Home Loan Bank	—	Yes
00026915	8.80% June 10 1993	98	Yes	2000036577	6.90% July 25 1988	—	Yes
00026940	7¼% Nov 10 1993	94	Yes	2000036640	11¼% Jan 25 1989	100	Yes
00026950	7¼% Dec 10 1993	—	Yes	2000036642	6.95% Feb 2 1989	—	Yes
00027000	7.65% Apr 11 1994	—	Yes	2000036645	8.30% Feb 27 1989	100	Yes
00027080	8.90% Aug 10 1994	98	Yes	2000036647	10.80% Feb 27 1989	100	Yes
00027085	10.10% Oct 11 1994	—	Yes	2000036650	15.10% Feb 27 1989	100	Yes
00027088	9.25% Nov 10 1994	—	Yes	2000036660	7.45% Mar 27 1989	99	Yes
00027089	9.00% Jan 10 1995	98	Yes	2000036670	14.25% Apr 25 1989	101	Yes
00027090	11.95% Jan 10 1995 Deb	111	Yes	2000036671	6.9% Apr 25 1989	99	Yes
00027096	11½% Feb 10 1995 Deb	109	Yes	2000036672	7.375% April 25 1989	—	Yes
00027125	11.70% May 10 1995	—	Yes	2000036678	7.40% May 25 1989	99	Yes
00027136	11.15% June 12 1995 Deb	108	Yes	2000036680	10.20% May 25 1989	100	Yes
00027138	10.60% Nov 10 1995 Deb	105	Yes	2000036690	7.70% June 26 1989	99	Yes
00027148	10.50% Sept 11 1995	105	Yes	2000036698	7% July 25 1989	98	Yes
00027164	9.20% Jan 10 1996	99	Yes	2000036699	8.15 July 25 1989	99	Yes
00027167	7% Feb 10 1996 Deb	—	Yes	2000036700	14.125% July 25 1989	103	Yes
00027169	9.35% Feb 12 1996	—	Yes	2000036708	8.65% Aug 25 1989	100	Yes
00027184	8.75% June 10 1996	96	Yes	2000036713	6.75% Sept 25 1989	98	Yes
00027188	8% July 10 1996 Debs	92	Yes	2000036715	12½% Sept 25 1989	102	Yes
00027192	8.15% Aug 12 1996 Deb	93	Yes	2000036720	14.55% Sept 25 1989	103	Yes
00027195	7.70% Aug 26 1996	—	Yes	2000036730	9.35% Oct 25 1989	—	Yes
00027200	4½% 10-1-96 Conv Cap Deb	255	Yes	2000036738	8.125% Nov 27 1989	—	Yes
00027203	8.65% Oct 1 1996 Sub Deb	—	Yes	2000036740	11.55% Nov 27 1989	102	Yes
00027215	7.70% Dec 10 1996 Deb	—	Yes	2000036747	10.60% Dec 26 1989	—	Yes
00027255	7.60% Jan 10 1997	—	Yes	2000036748	8.25% Dec 26 1989	—	Yes
00027260	9.20% June 10 1997	—	Yes	2000036749	6.55% Dec 26 1989	97	Yes
00027285	8¼% July 1 1997	—	Yes	2000036750	11% Dec 27 1989	—	Yes
00027288	8.95% July 10 1997	—	Yes	2000036754	11.20% Jan 1 1990	102	Yes
00027293	9.55% Sept 10 1997	—	Yes	2000036759	6.55% Jan 25 1990	—	Yes
00027300	7.40% 10-1-97 Cap Deb	—	Yes	2000036760	11.20% Jan 25 1990	102	Yes
00027324	9.55% Nov 10 1997	—	Yes	2000036778	6.70% Mar 26 1990	—	Yes
00027340	7.10% Dec 10 1997	85	Yes	2000036780	11.90% Mar 26 1990	103	Yes
00027345	9.55% Dec 10 1997	—	Yes	2000036790	7.05% Apr 25 1990	97	Yes
00027350	9.80% Dec 22 1997	—	Yes	2000036799	8.25% May 25 1990	98	Yes
00027390	8.65% Feb 10 1998	—	Yes	2000036808	7.75% June 25 1990	97	Yes
00027405	9.15% April 1998	—	Yes	2000036810	9.50% June 25 1990	100	Yes
00027425	9.40% Aug 10 1998	—	Yes	2000036816	7.80% July 25 1990	—	Yes
00027458	11.75% Oct 1 2000-95	—	Yes	2000036820	9.75% July 25 1990	101	Yes
00027520	8.20% July 10 2002 Cap Deb	—	Yes	2000036835	8.875% Sept 25 1990	—	Yes
00027520	12.35% Dec 10 2013 Deb	112	Yes	2000036838	10.30% Sept 25 1990	101	Yes
00027525	12.65% Mar 10 2014 Deb	113	Yes	2000036840	12½% Sept 25 1990	105	Yes
00027575	0% July 5 2014 Debs	10	Yes	2000036857	7.05% Oct 25 1990	96	Yes
00027480	11.00% Oct 1 2015	—	Yes	2000036859	8.40% Nov 26 1990	—	Yes
00027500	10.35% Dec 10 2015	108	Yes	2000036860	13.70% Nov 26 1990	107	Yes
00027545	8.20% Mar 10 2016	—	Yes	2000036868	8.70% Dec 26 1990	99	Yes
00027585	7.00% Aug 25 2016	—	Yes	2000036870	10.90% Dec 26 1990	102	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036879	8.30% Jan 25 1991	—	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036880	9.10% Jan 25 1991	101	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036888	7.1% Feb 10 1991	96	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036889	7.1% Feb 25 1991	—	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036890	11½% Feb 25 1991	105	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036891	7.65% Feb 25 1991	97	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036900	7.75% Mar 25 1991	97	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036911	7.35% Apr 25 1991	96	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036921	7.875% May 27 1991	97	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036930	7½% July 25 1991 Consol	96	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036948	7.20% Aug 26 1991	95	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036949	7.40% Aug 26 1991	—	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036950	11.10% Aug 26 1991	104	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036958	7.40% Sept 25 1991	95	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036960	11¼% Sept 25 1991	106	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036975	7.15% Nov 25 1991	94	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036988	7.00% Dec 12 1991	—	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000036990	11.40% Dec 26 1991	105	Yes
00027620	0% Oct 9 2019 Cap Deb	7	Yes	2000037010	7.00% Jan 27 1992	94	Yes

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2000037015	11.45% Feb 25 1992	106	Yes	2000046280	12.25% Mar 20 1990	—	Yes
2000037023	7.10% Mar 25 1992	94	Yes	2000046285	13.50% July 16 1990 Australian Bond	—	Yes
2000037030	8.15% Apr 27 1992	97	Yes	2000046290	6.95% Aug 20 1990	96	Yes
2000037033	8.30% April 27 1992	97	Yes	2000046295	8.45% Dec 1 1990	—	Yes
2000037035	11.70% Apr 27 1992	106	Yes	2000046305	10.79% Feb 24 1991 Yield Curve Note	—	Yes
2000037039	8.60% May 26 1992	98	Yes	2000046310	7.625% Feb 11 1991	97	Yes
2000037060	8.4% June 25 1992	97	Yes	2000046315	13.50% Feb 6 1991 Australian Dollar Note	—	Yes
2000037070	8.375% July 27 1992	97	Yes	2000046320	0% Mar 12 1991	—	Yes
2000037073	8.60% Aug 25 1992 Consol Ser L	—	Yes	2000046321	7.05% Mar 15 1991	—	Yes
2000037075	10.35% Aug 25 1992	103	Yes	2000046325	8.55% May 31 1991	98	Yes
2000037095	10.85% Oct 26 1992	104	Yes	2000046334	5.60% Aug 1 1991 Notes	—	Yes
2000037102	8.80% Nov 25 1992	—	Yes	2000046347	10.875% May 14 1992	—	Yes
2000037105	11.10% Nov 25 1992	105	Yes	2000046355	8¼% June 29 1992	98	Yes
2000037110	9.05% Dec 28 1992	—	Yes	2000046373	7.1% Sept 15 1992	—	Yes
2000037122	9.50% Jan 25 1993	100	Yes	2000046380	8.80% Dec 3 1992	98	Yes
2000037125	10.70% Jan 25 1993	105	Yes	2000046390	8.50% 3-11-93 Yield Curve Note	—	Yes
2000037130	8.05% Feb 25 1993 Consol Series Q	95	Yes	2000046400	10½% Apr 22 1993 Notes	104	Yes
2000037135	10.80% Mar 25 1993	105	Yes	2000046415	7.35% May 4 1993	92	Yes
2000037152	7.55% Apr 26 1993	93	Yes	2000046428	10.95% July 7 1993	—	Yes
2000037168	8.125% May 25 1993	95	Yes	2000046465	8.50% July 6 1994	—	Yes
2000037169	8.90% May 25 1993 Ser S	98	Yes	2000046490	0% Nov 1 1994 Notes	58	Yes
2000037170	10.4% May 25 1993	104	Yes	2000046530	8.00% Euro Dual 10-31-95	—	Yes
2000037198	7.75% July 26 1993	94	Yes	2000046590	7¼% Dec 29 1996	90	Yes
2000037199	9.00% July 26 1993	99	Yes	2000046600	7¼% Jan 22 1997	89	Yes
2000037200	11.70% July 26 1993	108	Yes	2000046650	9.50% Sept 10 1997	99	Yes
2000037207	7.45% Aug 25 1993	92	Yes	2000046670	9.34% July 28 1998	—	Yes
2000037208	7.95% Aug 25 1993	—	Yes	2000046680	7.50% Sept 4 1998	—	Yes
2000037209	9.375% Aug 25 1993	99	Yes	2000046690	9.80% Sept 20 2000	101	Yes
2000037210	11.95% Aug 25 1993	109	Yes	2000046730	9.40% May 31 2002 Med Trm Note	—	Yes
2000037214	7.95% Sept 27 1993	94	Yes	2000046795	7¼% Nov 15 2009 Conv Sub Debs	—	Yes
2000037230	7¼% Oct 25 1993	94	Yes	2000046900	0% May 15 2014 Debs	—	Yes
2000037234	8.875% Oct 25 1993	—	Yes	2000047125	0% Oct 3 2022 Debs	—	Yes
2000037240	7¼% Nov 26 1993/83	92	Yes	2000048000	Tennessee Valley Authority	—	—
2000037249	7¼% Dec 27 1993	92	Yes	2000048050	5.70% May 15 1992 Power Rev A of 1967	88	Yes
2000037250	12.15% Dec 27 1993	111	Yes	2000048060	6¼% Nov 1 1992 Power B of 1967	90	Yes
2000037260	7.30% Jan 25 1994	91	Yes	2000048100	7.30% 1996 Series B	88	Yes
2000037261	7.30% Jan 26 1994	91	Yes	2000048110	7% Jan 1 1997	85	Yes
2000037270	12% Feb 25 1994	111	Yes	2000048115	7.35% May 1 1997	87	Yes
2000037272	7.45% Feb 25 1994 Consol Series C	92	Yes	2000048117	7.35% May 1 1997 Power 1972 B	—	Yes
2000037400	8.50% Apr 25 1994 Consol Series D	96	Yes	2000048120	7.35% July 1 1997	87	Yes
2000037418	8.875% June 26 1995	97	Yes	2000048123	0% July 1 1997	—	Yes
2000037420	10% June 26 1995	—	Yes	2000048125	7.40% Oct 1 1997	86	Yes
2000037431	10.30% July 25 1995	—	Yes	2000048130	7.35% Jan 1 1998 Op 1978	88	Yes
2000037515	8.75% Feb 15 1996 (Ecu)	—	Yes	2000048140	7.35% 4-1-98 Series B 1973	86	Yes
2000037524	8.10% Mar 25 1996	93	Yes	2000048145	7¼% July 1 1998 Op 1978	88	Yes
2000037544	7¼% Apr 25 1996	91	Yes	2000048147	7¼% 7-1-98 Power 1973 C	88	Yes
2000037548	8.25% May 2 1996	—	Yes	2000048155	7.70% Oct 1 1998 Series D 1973	87	Yes
2000037554	8.25% May 27 1996	—	Yes	2000050000	United States Postal Service	—	—
2000037561	8.25% June 25 1996	93	Yes	2000050050	6¼% Feb 1 1997 Ser A 1972	83	Yes
2000037562	8.25% Sept 25 1996	93	Yes				
2000037563	8¼% Sept 15 1996	93	Yes				
2000037565	8.25% Sept 25 1996	93	Yes				
2000037573	8% July 25 1996	92	Yes				
2000037583	7.70% Aug 26 1996	90	Yes				
2000037585	8.25% Aug 26 1996	—	Yes				
2000037650	7¼% Feb 25 1997	91	Yes				
2000037658	7.75% Feb 26 1997 Shogun	—	Yes				
2000037670	7.65% Mar 25 1997 Series C	90	Yes				
2000037700	9.55% Sept 10 1997	—	Yes				
2000037720	9.55% Nov 11 1997	—	Yes				
2000041100	Federal Land Bank						
2000041300	8.20% Jan 22 1990	99	Yes				
2000041340	7.95% Apr 22 1991	97	Yes				
2000041450	7.95% Oct 21 1996	91	Yes				
2000041500	7.35% Jan 20 1997	88	Yes				
2000043000	Financing Corporation						
2000043001	Cpn Fico Strips All Issues	—	Yes				
2000043002	Principal Fico Strips All Issues	—	Yes				
2000043080	9.40% Feb 8 2018 Ser A	—	Yes				
2000043085	9.80% Nov 30 2017 Bonds	—	Yes				
2000043090	10.00% May 11 2018 Bonds	—	Yes				
2000043100	10.35% Aug 3 2018 Bonds	—	Yes				
2000046100	Student Loan Marketing Association						
2000046183	9.625% May 25 1989 Debs	—	Yes				
2000046210	Floating Rate Notes Jan 10 1989	—	Yes				
2000046212	Floating Rate Note Jan 15 1989	—	Yes				
2000046213	Floating Rate Note June 21 1989	—	Yes				
2000046214	Floating % Mar 7 1989 Notes	—	Yes				
2000046215	Floating Rate Note April 4 1989	—	Yes				
2000046216	Floating Rate Note April 10 1989	—	Yes				
2000046217	12¼% April 15 1989 Austral Doll Note	—	Yes				
2000046218	12.35% April 15 1989 Aust Dollar Notes	—	Yes				
2000046219	8.25% June 15 1989	—	Yes				
2000046220	7.90% July 6 1989 Notes	99	Yes				
2000046225	12.85% Sept 1 1989 Notes	102	Yes				
2000046230	13.15% Sept 1 1989 Notes	—	Yes				
2000046240	Floating Rate Note Series F Oct 3 1989	—	Yes				
2000046270	12% Jan 2 1990	—	Yes				
2000046275	10.90% Feb 28 1990 Notes	102	Yes				
2000046278	12.00% Note 1990	—	Yes				
2000046279	12.125% Mar 20 1990	—	Yes				

#1
NB151
2/8/89

BROWNING, KALECZYC, BERRY & HOVEN, P.C.

ATTORNEYS AT LAW

28 NORTH LAST CHANCE GULCH

POST OFFICE BOX 1697

HELENA, MONTANA 59624

RECEIVED

APR 3 1989

TELEPHONE
(406) 449-6220

TELECOPIER
(406) 443-0700

MONTANA LEGISLATIVE
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*MEMBER OF MONTANA AND THE
DISTRICT OF COLUMBIA BARS

March 31, 1989

Mr. Paul Verdon
Office of Legislative Council
Montana State Legislature
State Capitol
Helena, MT 59620

Re: HB 151--The 1989 Bank Restructure Act

Dear Paul:

I am writing to you concerning the legislative history of HB 151, the bank merger bill that you drafted for Representative Swift. As you know, HB 151, as amended by the House Business Committee, was signed into law by the Governor last Monday, March 27. The bill was not amended in the Senate, so it was not returned to the House. Nor was the bill amended on the House floor. Thus, the only amendments added to the bill were those that you drafted for the subcommittee in the House Business and Economic Development Committee, which were added by the full committee in February.

I am writing to you in connection with the amendments you drafted for Section 5, Subsection 4, which appear in the bill on page 10, lines 7 through 15. As you recall, the introduced version of HB 151 erroneously included the word "or" on page 10, line 13, which was subsequently changed to "and." The original draft of the legislation submitted by the Montana Bankers Association to Representative Swift used the word "and," which you changed to "or" during the redraft of the bill at Legislative Council prior to introduction. The intent of the Montana Bankers Association's lawyers and its Board of Directors was that a branch could only be established by a bank that met the two conditions set out in Subsection 4 (i.e., both subsection (a) and subsection (b) set out conditions which were required to be satisfied in order for a bank to be able to establish a single branch.

During the subcommittee deliberations, where it was decided to correct the mistaken use of the word "or," and replace it with the correct word "and," the decision was made to strike the phrase

Mr. Paul Verdon
March 31, 1989
Page 2

"in any county if the branch bank is to be established," which appears on lines 9 and 10 of page 10. I recall that you stated that the deleted phrase was duplicative and unnecessary.

Subsequently, on the Senate floor an amendment was offered by Senator Rapp-Svrcek (copy enclosed) which sought to revise the language of Subsection 4 of Section 5. Although Senator Rapp-Svrcek's amendment failed, I was concerned during the debate on the amendment that there might be some question raised about the interpretation of the requirements of Subsection 4. Specifically, one senator came to me and said that he interpreted subsections (a) and (b) as not being conditions that had to be fulfilled, but rather opportunities for the placement of branches. Specifically, the senator stated that he thought Subsection 4 allowed a bank to establish a branch bank anywhere in its county or adjoining county not covered by a city and anywhere in a city in which no bank or branch bank is located. In other words, he thought Subsection 4 allowed or authorized multiple branches. That was clearly not the intent of the Business and Economic Development Committee of the House when the final version of Subsection 4 of Section 5 was approved. Instead, the intent was that only a single branch could be established by any given bank, and that single branch could only be located in the county or adjoining county of the bank and only in a city in which no bank or branch bank was located at the time the branch bank was established.

I know we have talked about this matter several times, and I am certain we are in agreement on the correctness of my interpretation of the intention of Subsection 4 of Section 5. I am writing this letter with a request that you add it to the legislative history file on HB 151, just in case there is some question ever raised in connection with the meaning of the provisions discussed herein.

Thank you again for your assistance in this matter.

Sincerely,

BROWNING, KALECZYK, BERRY & HOVEN, P.C.

By Steve Browning
R. Stephen Browning CAP

/arh

cc: Mr. Mark Safty
Mr. John Cadby

SENATE COMMITTEE OF THE WHOLE AMENDMENT

March 10, 1989 3:14 pm

Mr. Chairman: I move to amend HB 151 (third reading copy -- blue) as follows:

1. Page 10, line 11.

Following: "in the county"

Strike: "or a county adjoining the county"

2. Page 10, line 14.

Following: "a"

Strike: "city in which"

Insert: "county adjoining the county in which the main banking house is located if"

3. Page 10, line 15.

Following: "located"

Insert: "in that county"

ADOPT

REJECT

Signed: _____



Senator Rapp-Svrcek

WITNESS STATEMENT

NAME DAVID ARONOVSKY BILL NO. H. B. 355
ADDRESS 1050 CONNECTICUT AVENUE, N.W. - WASHINGTON
WHOM DO YOU REPRESENT? AFRICAN DEVELOPMENT BANK
SUPPORT ☒ OPPOSE ☐ AMEND ☐

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

NAME Bill Pratt BILL NO. 550

ADDRESS 48 No. Last Chance Gulch - Helena

WHOM DO YOU REPRESENT? MT ARTS COUNCIL

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: This bill provides an opportunity
for Montana to use its highly recognized
artists & craftsmakers to make these
visitor centers - Montana's gateway -
of world class quality. The MT Arts
Council looks forward to working
with the Dept. of Commerce in
developing plans for the 52nd
legislature.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

Business
355 483 570

COMMITTEE

BILL NO.

530 556

DATE

2/8/89

SPONSOR

Cohen Driscoll Spawth
 Vincent Carchiarella

Please put the bill
 number.
 thanks

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
JAMES W. BORCHARDT	HELENA, MT 355		✓
DAVE) ARNETT	WASHINGTON DC 355	✓	
LARRY AKET - MALM	HELENA		HB 536 ✓
BILL PERIT - MTH's GCL	HELENA	HB 550	
PATRICK DRISCOLL	AMERICAN COUNCIL HELENA OF LIFE INSURANCE	11	HB 556
Bonnie Lipp	Montana Smokepers	HB 550	
Don Ingels	Mt Chamber of Commerce	Monitor	550
CAL CUMIN	BILLINGS	✓	
J. Unsworth	Helena - MDAH	550	—
Don Peoplo	Bo 11/2 Silver Bow	483	
Andy Burton	Butte - Silver Bow	HB 483	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.