

(1) The issue and sale of the security are solely for the purpose of financing the business of the public-utility subsidiary company;

(2) The issue and sale of the security have been expressly authorized by the state commission of the state in which the subsidiary company is organized and doing business; and

(3) The interest rates and maturity dates of any debt security issued to an associate company are designed to parallel the effective cost of capital of that associate company.

(b) Any subsidiary of a registered holding company which is not a holding company, a public-utility company, an investment company, or a fiscal or financing agency of a holding company, a public-utility company or an investment company shall be exempt from section 6(a) of the Act (15 U.S.C. 79f(a)) and related rules with respect to the issue and sale of any security of which it is the issuer if:

(1) The issue and sale of the security are solely for the purpose of financing the existing business of the subsidiary company; and

(2) The interest rates and maturity dates of any debt security issued to an associate company are designed to parallel the effective cost of capital of that associate company; *Provided*, That any security issued to an associate company by any energy-related company subsidiary, as defined in § 250.58, shall not be exempt under these provisions unless, after giving effect to the issue of the security, the aggregate investment by a registered holding company or its subsidiary in the energy-related company subsidiary and all other energy-related company subsidiaries does not exceed the limitation in § 250.58(a)(1).

\* \* \* \* \*

(e) A copy of any Certificate of Notification on Form U-6B-2 (§ 259.206) that is filed with this Commission under this section with respect to any security issued by a subsidiary of a registered holding company under paragraph (b) of this section and acquired by a public-utility company that is an associate company of the issuer, shall be submitted concurrently to each state commission having jurisdiction over the retail rates of the public-utility company.

Dated: February 20, 1998.

By the Commission.

**Margaret H. McFarland,**  
*Deputy Secretary.*

[FR Doc. 98-4855 Filed 2-25-98; 8:45 am]

BILLING CODE 8010-01-P

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 30 and 202**

[Docket No. FR-4106-F-02]

RIN 2502-AG78

**Approval of Lending Institutions and Mortgagees Streamlining; Correction**

**AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

**ACTION:** Final rule; correction.

**SUMMARY:** On April 24, 1997, HUD issued a final rule that streamlined 24 CFR part 202 and made related changes to other parts of title 24. This document corrects technical errors that appeared in that final rule.

**EFFECTIVE DATE:** February 26, 1998.

**FOR FURTHER INFORMATION CONTACT:** Lynn S. Herbert, Director, Lender Approval and Recertification Division, Room B-133-P3214, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410, (202) 708-3976. (This is not a toll free number.) For hearing- and speech-impaired persons, this number may be accessed via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

**SUPPLEMENTARY INFORMATION:** As published on April 24, 1997, the final rule contains some technical errors that are in need of correction. In the April 24, 1997 final rule, an amendment was made to § 30.320(k) was in error. The amendment should have been made to current § 30.35(a)(4). In the second sentence of § 202.5(i), a reference was made to "the mortgagee" instead of "the Secretary". In the third sentence of § 202.7(a), a reference was made to a "supervised" lender or mortgagee instead of to a "nonsupervised" lender or mortgagee, and a reference to insured loans was inadvertently omitted. In § 202.9(a), a reference to an investing lender was inadvertently omitted. Accordingly, FR Doc. 97-10282, a final rule that amended 24 CFR parts 30 and 202, among other parts, is corrected as follows:

**§ 30.320 [Corrected]**

1. On page 20081, in the third column, the rule is corrected by removing the amendment to § 30.320, and in lieu of the amendment to § 30.320 revising § 30.35(a)(4) to read:

**§ 30.35 Mortgagees and lenders.**

(a) \* \* \*  
(4) Makes a payment that is prohibited under § 202.5(i).

\* \* \* \* \*

**§ 202.5 [Corrected]**

2. On page 20084, in the third column, the rule is corrected by removing "mortgagee" from the second sentence of § 202.5(i), and adding in its place, "Secretary".

3. On page 20085, in the third column, the third sentence of § 202.7(a) is corrected to read:

**§ 202.7 Nonsupervised lenders and mortgagees.**

(a) \* \* \* A nonsupervised lender or mortgagee may originate, purchase, hold, service or sell insured mortgages, respectively.

\* \* \* \* \*

4. On page 20086, third column, the third sentence of § 202.9(a) is corrected to read as follows:

**§ 202.9 Investing lenders and mortgagees.**

(a) \* \* \* An investing lender or mortgagee may not service Title I loans or Title II mortgages without prior approval of the Secretary.

\* \* \* \* \*

Dated: February 20, 1998.

**Camille E. Acevedo,**  
*Assistant General Counsel, Regulations.*

[FR Doc. 98-4867 Filed 2-25-98; 8:45 am]

BILLING CODE 4210-27-M

**DEPARTMENT OF DEFENSE**

**Department of the Navy**

**32 CFR Part 706**

**Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972**

**AGENCY:** Department of the Navy, DOD.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Navy is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), to reflect that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy has determined that USS BONHOMME RICHARD (LHD 6) is a vessel of the Navy which, due to its special construction and purpose, cannot fully comply with certain provisions of the 72 COLREGS without interfering with its special functions as a naval ship. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.

**EFFECTIVE DATE:** January 8, 1998.

**FOR FURTHER INFORMATION CONTACT:** Captain R.R. Pixa, JAGC, U.S. Navy, Admiralty Counsel, Office of the Judge Advocate, General, Navy Department,