

counterparties are highly creditworthy, and the institution's management not only has tight controls on the loan but also has a favorable track record of managing similar loans. In the event of the borrower's contractual default, the institution's management believes that it would recover sufficient cash to repay the loan within 60 days.

**Borrower and Facility Rating:** The borrower is rated weak due to its well-defined credit weaknesses.

The facility is rated "remote risk of loss" because of institutional management's expertise; the facility's strong controls and high quality; and the collateral's liquidity and ample coverage.

The facility is included in pass assets.

#### Example 7. Debtor-in-Possession

**Credit Facility:** \$100 debtor-in-possession (DIP) facility, \$70 outstanding with \$10 available

\$100 term loan

**Sources of Repayment:**

Primary: Cash flow from operations

Secondary: Liquidation of collateral

**Collateral:** The DIP facility is secured by receivables from several investment grade companies and underwritten with a conservative advance rate to protect against dilution risk.

The term loan is secured by equipment.

**Situation:** The borrower has filed for Chapter 11 bankruptcy protection because the recall of one of the company's products has precipitated a substantial decline in sales. The product liability litigation resulted in substantial legal expenses and settlements. Because collecting the term loan in full is very unlikely, the financial institution's management placed the term loan on nonaccrual prior to the borrower's bankruptcy filing. Management estimates the institution will collect 70 percent to 80 percent on their secured claim under the borrower's bankruptcy reorganization plan. Based on this estimate, management charges off \$20 and estimates impairment of \$10 for the remaining balance. The DIP facility repaid the pre-petition asset-based line of credit. Management has expertise in asset-based lending and strong controls over the activity.

**Borrower and Facility Rating:** The borrower is rated default since one of its facilities was placed on nonaccrual.

The DIP facility is rated "remote risk of loss" not only because it is secured by high-quality receivables with ample coverage, but also because the financial institution's management has performed frequent borrowing-base audits and has strong controls over cash disbursements and collections. The term loan is rated "moderate loss severity" (>5% and <=30%) because management's impairment estimate for the remaining loan balance falls within this range.

The DIP facility is included in pass assets.

The term loan is included in classified assets.

#### Request for Comment

The agencies request comments on all aspects of the proposed policy statement. In

addition, the agencies also are asking for comment on a number of issues affecting the policy and will consider the answers before developing the final policy statement. In particular, your comments are needed on the following issues:

1. The agencies intend to implement this framework for all sizes of institutions. Could your institution implement the approach?

2. If not, please provide the reasons.

3. What types of implementation expenses would financial institutions likely incur? The agencies welcome financial data supporting the estimated cost of implementing the framework.

4. Which provisions of this proposal, if any, are likely to generate significant training and systems programming costs?

5. Are the examples clear and the resultant ratings reasonable?

6. Would additional parts of the framework benefit from illustrative examples?

7. Are the proposed treatment of guarantors reasonable?

Please provide any other information that the agencies should consider in determining the final policy statement, including the optimal implementation date for the proposed changes.

Dated: March 17, 2005.

**Julie L. Williams,**

*Acting Comptroller of the Currency.*

Board of Governors of the Federal Reserve System, March 21, 2005.

**Jennifer J. Johnson,**

*Secretary of the Board.*

Federal Deposit Insurance Corporation.

By order of the Board of Directors.

Dated at Washington, DC, this 18th day of March, 2005.

**Robert E. Feldman,**

*Executive Secretary.*

Dated: March 18, 2005.

By the Office of Thrift Supervision.

**James E. Gilleran,**

*Director.*

[FR Doc. 05-5982 Filed 3-25-05; 8:45 am]

**BILLING CODE 4810-33-C; 6210-01-C; 6714-01-C; 6720-01-C**

## DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900-0060]

### Proposed Information Collection Activity: Proposed Collection; Comment Request

**AGENCY:** Veterans Benefits Administration, Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** The Veterans Benefits Administration (VBA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain

information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of a currently approved collection, and allow 60 days for public comment in response to the notice. This notice solicits comments on information needed to process beneficiaries claims for payment of insurance proceeds.

**DATES:** Written comments and recommendations on the proposed collection of information should be received on or before May 27, 2005.

**ADDRESSES:** Submit written comments on the collection of information to Nancy J. Kessinger, Veterans Benefits Administration (20M35), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420 or e-mail: [irmnkess@vba.va.gov](mailto:irmnkess@vba.va.gov). Please refer to "OMB Control No. 2900-0060" in any correspondence.

#### FOR FURTHER INFORMATION CONTACT:

Nancy J. Kessinger at (202) 273-7079 or FAX (202) 275-5947.

**SUPPLEMENTARY INFORMATION:** Under the PRA of 1995 (Pub. L. 104-13; 44 U.S.C. 3501-3521), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VBA invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of VBA's functions, including whether the information will have practical utility; (2) the accuracy of VBA's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

*Titles:*

a. Claim for One Sum Payment (Government Life Insurance), VA Form 29-4125.

b. Claim for Monthly Payments (National Service Life Insurance), VA Form 29-4125a.

c. Claim for Monthly Payments (United States Government Life Insurance, (USGLI)), VA Form 29-4125k.

*OMB Control Number:* 2900-0060.

*Type of Review:* Extension of a currently approved collection.

*Abstract:* Beneficiaries of deceased veterans must complete VA Form 29-4125 to apply for proceeds of the veteran's Government Insurance policies. If the beneficiary desires monthly installment in lieu of one lump payment he or she must complete VA Forms 29-4125a and 29-4125k. VA uses the information to determine the claimant's eligibility for payment of insurance proceeds and to process monthly installment payments.

*Affected Public:* Individuals or households.

*Estimated Annual Burden:* 8,787 hours.

- a. VA Form 29-4125—8,200 hours.
- b. VA Form 29-4125a—462 hours.
- c. VA Form 4125k—125 hours.

*Estimated Average Burden Per Respondent:*

- a. VA Form 29-4125—6 minutes.
- b. VA Form 29-4125a—15 minutes.
- c. VA Form 4125k—15 minutes.

*Frequency of Response:* On occasion.

*Estimated Number of Respondents:* 84,350.

- a. VA Form 29-4125—82,000.
- b. VA Form 29-4125a—1,850.
- c. VA Form 4125k—500.

Dated: March 17, 2005.

By direction of the Secretary.

**Martin Hill,**

*Management Analyst, Records Management Service.*

[FR Doc. E5-1322 Filed 3-25-05; 8:45 am]

**BILLING CODE 8320-01-P**

## DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900-0320]

### Proposed Information Collection Activity: Proposed Collection; Comment Request

**AGENCY:** Veterans Benefits Administration, Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** The Veterans Benefits Administration (VBA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of a currently approved collection, and allow 60 days for public comment in response to the notice. This

notice solicits comments for information needed to allow veteran purchasers to gain occupancy of a property prior to completion of exterior onsite improvements.

**DATES:** Written comments and recommendations on the proposed collection of information should be received on or before May 27, 2005.

**ADDRESSES:** Submit written comments on the collection of information to Nancy J. Kessinger, Veterans Benefits Administration (20M35), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420 or e-mail: [irmnkess@vba.va.gov](mailto:irmnkess@vba.va.gov). Please refer to "OMB Control No. 2900-0320" in any correspondence.

**FOR FURTHER INFORMATION CONTACT:** Nancy J. Kessinger at (202) 273-7079 or FAX (202) 275-5947.

**SUPPLEMENTARY INFORMATION:** Under the PRA of 1995 (Pub. L. 104-13; 44 U.S.C. 3501-3521), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VBA invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of VBA's functions, including whether the information will have practical utility; (2) the accuracy of VBA's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or the use of other forms of information technology.

*Title:* Escrow Agreement for Postponed Exterior Onsite Improvements, VA Form 26-1849.

*OMB Control Number:* 2900-0320.

*Type of Review:* Extension of a currently approved collection.

*Abstract:* VA Form 26-1849 is provided as a service to veterans, builders/sellers, and escrow agents in situations involving onsite escrows. The escrow allows the veteran to occupy the property when specific exterior onsite improvement may have to be postponed due to unforeseen circumstances such as adverse weather or other specified unavoidable conditions. For these situations, VA developed escrow procedures whereby a builder/seller deposits at least one and one-half times

the cost of completing the improvement into an escrow account held by a third party. The funds can only be used to complete the postponed improvements and are released when the improvements are completed. The information collected on VA Form 26-1849 documents a legal agreement between parties other than VA when appropriate funds must be set aside for completion of certain exterior onsite improvements.

*Affected Public:* Individuals or households and Business or other for-profit.

*Estimated Annual Burden:* 625 hours.

*Estimated Average Burden Per*

*Respondent:* 30 minutes.

*Frequency of Response:* On occasion.

*Estimated Number of Respondents:*

1,250.

Dated: March 17, 2005.

By direction of the Secretary.

**Martin Hill,**

*Management Analyst, Records Management Service.*

[FR Doc. E5-1326 Filed 3-25-05; 8:45 am]

**BILLING CODE 8320-01-P**

## DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900-0324]

### Proposed Information Collection Activity: Proposed Collection; Comment Request

**AGENCY:** Veterans Benefits Administration, Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** The Veterans Benefits Administration (VBA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of a currently approved collection, and allow 60 days for public comment in response to the notice. This notice solicits comments on information needed to determine a veteran's eligibility or reinstatement for Government Life insurance.

**DATES:** Written comments and recommendations on the proposed collection of information should be received on or before May 27, 2005.

**ADDRESSES:** Submit written comments on the collection of information to Nancy J. Kessinger, Veterans Benefits