

BILLING CODE: 6720-01 P

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

12 CFR Parts 506, 561, 563, 563d, 574

[No. 96-118]

Technical Amendments

AGENCY: Office of Thrift Supervision, Treasury.

ACTION: Final rule.

SUMMARY: The Office of Thrift Supervision (OTS) is amending its regulations to incorporate a number of technical and conforming amendments. The amendments include a correction to the paragraph designations used in the transactions with affiliates regulation, removal or correction of erroneous cross-references, and an amendment to specify where securities filings are to be made.

EFFECTIVE DATE: [Insert date of publication in Federal Register.]

FOR FURTHER INFORMATION CONTACT: Mary Gottlieb, Senior Paralegal, (202) 906-7135, or Deborah Dakin, Assistant Chief Counsel, (202) 906-6445, Regulations and Legislation Division, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington DC 20552.

SUPPLEMENTARY INFORMATION: OTS is today adopting several technical amendments to its regulations to correct cross-references and codification errors, and to add a reference to OTS's Securities Filing Desk to its securities regulations.

Transactions with Affiliates

Current § 563.41(e)(2), as originally adopted in July, 1991,¹ specifies that prior notification of transactions with any affiliate or subsidiary must be provided to OTS if the transaction involves (1) a de novo savings association that began operating or an association or holding company thereof that has been the subject of an application or notice under part 574 that was approved during the preceding two years; and (2) a savings association that has a 4 or 5 MACRO (now CAMEL) rating, that is not meeting all of its current capital requirements, that has entered into a consent to merge, a supervisory agreement or cease and desist order during the preceding two year period, or is subject to a formal enforcement proceeding, or that is otherwise the subject of supervisory concern or requires extraordinary supervision and OTS provides written notice of the basis for the concern to the institution.

The intent of the regulation was that OTS could require prior notice in either of the above circumstances. The amendment being made today clarifies

¹ 56 FR 34013 (July 25, 1991).

that both criteria need not be met. Accordingly, the “and” that separates the two clauses is being changed to an “or.”

Several other clarifying amendments are also being made to § 563.41(e), including redesignation of the final paragraph in § 563.41(e)(2) as § 563.41(e)(3). It currently is included as paragraph (iii), following paragraphs (i) and (ii) outlined above. Paragraph (iii) specifies the steps to be taken following issuance of the written notice under paragraphs (i) and (ii), and should not be part of the same paragraph sequence.

Corrections to Cross-References and Amendment to Securities Filing Regulation

Section 563d.1, regarding the requirements of the Securities Exchange Act of 1934, is being amended to specify that securities filings are to be made with the Securities Filing Desk of the Business Transaction Division (BTD). The current regulation refers only to BTD. While the Securities Filings Desk is now housed within the Dissemination Branch of the Records Management and Information Policy Division, filings should be addressed to “Securities Filing Desk. Business Transactions Division.”

Sections 563.7 and 574.6(c)(5) relating to fixed-term certificate accounts and acquisition of control are being revised to correct erroneous cross-references. Section 561.13, which deals with classifying consumer credit as a loss, is being amended by removing an outdated cross-reference.

Display Table for Information Collection Requirements

The table setting forth OMB control numbers assigned to collections of information under the Paperwork Reduction Act contained in OTS regulations² has been updated to reflect any additional collections approved during 1996, as well as any changes to existing collections. It is being reprinted in its entirety for ease of reader reference.

Administrative Procedure Act; Riegle Community Development and Regulatory Improvement Act of 1994

The OTS has found good cause to dispense with both prior notice and comment on this final rule and a 30-day delay of its effective date mandated by the Administrative Procedure Act.³ OTS believes that it is contrary to public interest to delay the effective date of the rule, as it corrects a number of errors that have caused confusion. Because the amendments in the rule are not substantive, they will not detrimentally affect savings associations by becoming effective immediately.

In addition, this document is exempt from the requirement found in section 302 of the Riegle Community Development and Regulatory Improvement Act of 1994⁴ that regulations must not take effect before the first day of the quarter following publication, as it imposes no new requirements.

² 12 CFR 506.1(b).

³ 5 U.S.C. 553.

⁴ Pub. L. No. 103-325, 12 U.S.C. 4802.

Regulatory Flexibility Act

Pursuant to section 605(b) of the Regulatory Flexibility Act,⁵ it is certified that this technical corrections regulation will not have a significant economic impact on a substantial number of small entities.

Executive Order 12866

OTS has determined that this rule is not a “significant regulatory action” for purposes of Executive Order 12866.

Unfunded Mandates Reform Act of 1995

OTS has determined that the requirements of this final rule will not result in expenditures by State, local, and tribal governments, or by the private sector, of \$100 million or more in any one year. Accordingly, a budgetary impact statement is not required under section 202 of the Unfunded Mandates Reform Act of 1995.

List of Subjects

12 CFR Part 506

Reporting and recordkeeping requirements.

12 CFR Part 561

Savings associations.

12 CFR Part 563

Accounting, Advertising, Crime, Currency, Investments, Reporting and

⁵ Pub. L. No. 96-354, 5 U.S.C. 601.

recordkeeping requirements, Savings associations, Securities, Surety bonds.

12 CFR Part 563d

Authority delegations (Government agencies), Reporting and recordkeeping requirements, Savings associations, Securities.

12 CFR Part 574

Administrative practice and procedure, Holding companies, Reporting and recordkeeping requirements, Savings associations, Securities.

Accordingly, the Office of Thrift Supervision hereby amends title 12, chapter V of the Code of Federal Regulations as set forth below.

**PART 506 – INFORMATION COLLECTION REQUIREMENTS UNDER
THE PAPERWORK REDUCTION ACT**

1. The authority citation for part 506 continues to read as follows:

Authority: 44 U.S.C. 3501 *et seq.*

2. Section 506.1 is amended by revising paragraph (b) to read as follows:

* * * * *

(b) Display.

12 CFR part or section where identified and described	Current OMB control number
502.3	1550-0053
510	1550-0081
516.1(c)	1550-0056
Part 528	1550-0021
543.2	1550-0005
543.9	1550-0007
544.2	1550-0017

544.5	1550-0018
544.8	1550-0011
545.74	1550-0013
545.92	1550-0006
545.95	1550-0006
545.96(c)	1550-0011
546.2	1550-0016
546.4	1550-0066
552.1	1550-0019
552.11	1550-0011
552.2-1	1550-0005
552.2-6	1550-0007
552.4.	1550-0017
552.5	1550-0018
552.6	1550-0025
552.7	1550-0025
552.13	1550-0016.
	1550-0025
559.11	1550-0067
559.13	1550-0065
559.3	1550-0077
560.93(f)	1550-0078
560.100	1550-0078
560.101	1550-0078
560.170	1550-0078
560.170(c)	1550-0083
560.172	1550-0078
560.210	1550-0078
560.210	1550-0078
562.1	1550-0011
562.1(b)	1550-0078
562.4	1550-0011
563.1	1550-0027
563.1(b)	1550-0011
563.22	1550-0016
563.41(e)	1550-0078
563.42(e)	1550-0078
563.43(f) through (h)	1550-0075
563.43(i)(3)	1550-0075
563.47(e)	1550-0011
563.48(c)	1550-0011

563.74	1550-0050
563.76(c)	1550-0011
563.80	1550-0061
563.81	1550-0030
563.99c	1550-0078
563.131	1550-0028
563.134	1550-0059
563.173(e)	1550-0011
563.174(e)	1550-0011
563.174(f)	1550-0011
563.175(e)	1550-0011
563.175(f)	1550-0011
563.177	1550-0041
563.180	1550-0084
563.180(d)	1550-0003
563.180(e)	1550-0079
563.181	1550-0032
563.183	1550-0032
Part 563b	1550-0014
563b.4	1550-0032
Part 563d	1550-0019
563b.20 through 563b.32	1550-0074
Part 563e	1550-0012
Part 563f	1550-0051
Part 563g	1550-0035
Part 564	1550-0078
566.4	1550-0011
Part 568	1550-0062
571.6	1550-0005
571.13	1550-0078
574.3(b)	1550-0032
574.4	1550-0032
574.5	1550-0032
574.6	1550-0015
Part 575	1550-0071
584.1(f)	1550-0011
584.2-1	1550-0063
584.2-2	1550-0063
584.9	1550-0063
590.4(h)	1550-0078

PART 561 -- DEFINITIONS

3. The authority citation for part 561 continues to read as follows:

Authority: 12 U.S.C. 1462, 1462a, 1463, 1464, 1467a.

§ 561.13 [Amended]

4. Section 561.13 is amended by removing footnote 1 to the tables.

PART 563 -- OPERATIONS

5. The authority citation for part 563 continues to read as follows:

Authority: 12 U.S.C. 375b, 1462, 1462a, 1463, 1464, 1467a, 1468, 1817, 1828, 3806; 42 U.S.C. 4102a, 4104a, 4104b, 4106, 4128.

§ 563.7 [Amended]

6. Section 563.7 is amended in paragraphs (a) and (d)(2) by removing the phrases “paragraph (e)” and “paragraph (e)(1)”, respectively, and by adding in lieu thereof the phrases “paragraph (d)” and “paragraph (d)(1)”, respectively.

§ 563.41 [Amended]

7. Section 563.41 is amended in paragraph (e)(2) by removing the word “and” at the end of paragraph (e)(2)(i), and by adding in lieu thereof the word “or”; by removing the word “current” in paragraph (e)(2)(ii)(B); by redesignating paragraph (e)(2)(iii) as paragraph (e)(3); and by removing, in newly designated

paragraph (e)(3), the phrase "paragraph (e)(2)(ii)", and by adding in lieu thereof the phrase "paragraph (e)(2)".

PART 563d – SECURITIES OF SAVINGS ASSOCIATIONS

8. 6. The authority citation for part 563d continues to read as follows:

Authority: 12 U.S.C. 1462a, 1463, 1464; 15 U.S.C. 78c(b), 78l, 78m, 78w, 78d-1.

§ 563d.1 [Amended]

9. 7. Section 563d.1 is amended by adding the phrase "Securities Filing Desk," after the phrase "Business Transactions Division,".

PART 574 – ACQUISITION OF CONTROL OF SAVINGS ASSOCIATIONS

10. 8. The authority citation for part 574 continues to read as follows:

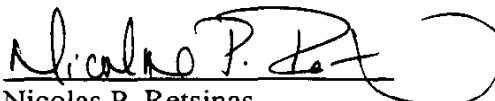
Authority: 12 U.S.C. 1467a, 1817, 1831i.

§ 574.6 [Amended]

10. 9. Section 574.6(c)(5) is amended by removing the phrase "paragraph (c)(5)", and by adding in lieu thereof the phrase "paragraph (c)".

DATED: November 18, 1996

By the Office of Thrift Supervision.


Nicolas P. Retsinas
Director