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Transmittal – See OCC 2020-11

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Integration of National Bank and Federal Savings Association Licensing Rules: Final Rule

Summary

The Office of the Comptroller of the Currency (OCC) has issued a final rule that integrates its rules for national banks and federal savings associations (FSA) relating to policies and procedures for corporate activities and transactions (licensing rules). The final rule revises these rules to eliminate unnecessary requirements, to further the safe and sound operation of the institutions the OCC supervises, and to make technical and conforming changes. This final rule facilitates fairness in supervision for national banks and FSAs with respect to filings for all activities and transactions addressed in the OCC's licensing rules. As part of this rulemaking, the OCC also is updating its rules for the agency's organization and function, clarifying the responsibilities of OCC licensing offices, and correcting contact information.

This final rule was published in the *Federal Register* on May 18, 2015, and is effective on July 1, 2015. A section-by-section overview of the final rule is included as an attachment to this bulletin.

To

Chief Executive Officers of All National Banks and Federal Savings Associations, Federal Branches and Agencies, Department and Division Heads, All Examining Personnel, and Other Interested Parties

Note for Community Banks

The OCC rules integrated by this rule apply to all national banks and FSAs, including community institutions. We have included in this bulletin a section-by-section overview of the changes made by this rulemaking to help community institutions readily identify provisions that affect them or are of special interest. The preamble of the final rule also includes a separate summary, by charter type, of the significant changes that result from this final rule for national banks and FSAs, as well as a redesignation table that indicates changes in the numbering of the rules. The section-by-section summary of significant changes and the redesignation table also are available on the OCC's website.

Highlights

The final rule does the following:

- Amends the OCC's rules on articles of association, bylaws, and charters; chartering procedures; conversions; branching; operating subsidiaries; service corporations; business combinations; changes in capital; changes in asset size; capital distributions; subordinated debt; change in control; fiduciary powers; bank service companies; investments in premises; changes in directors and senior executive

officers; pass-through investments; changes in corporate title; main office and home office relocations; changes in address; and voluntary liquidations.

- Integrates these licensing rules by moving the licensing rules for FSAs into 12 CFR 5 and deleting the corresponding provisions found in parts 100 through 199 (except for the mutual to stock conversion rules).
 - For many rules, the final rule incorporates licensing provisions for FSAs into the existing national bank rule.
 - In other cases, the final rule includes separate rules for national banks and FSAs in part 5 because the rules do not apply to both charters, are better organized as separate rules, or are difficult to integrate because of their differences and complexity.
 - For rules in 12 CFR 5 that continue to apply only to national banks, the final rule revises some to be consistent with the changes for FSAs and makes other technical changes.
- Makes substantive changes to the OCC's licensing rules to eliminate unnecessary requirements, promote fairness in supervision, and further the safe and sound operation of the institutions the OCC supervises.
- Makes various conforming and technical changes to the OCC's rules, updates the description of the OCC's supervisory structure in 12 CFR 4, and updates OCC contact numbers.

Background

In certain areas, the OCC has one set of rules applicable to national banks and another set applicable to FSAs or, when appropriate, to all savings associations. The OCC is reviewing these rules to determine whether, when legally permissible and consistent with underlying statutes applicable to national banks and FSAs, it is appropriate to integrate the rules into a single set of rules applicable to both charters. The key objectives of this review are to reduce regulatory duplication, promote fairness in supervision, eliminate unnecessary burden consistent with safety and soundness, and create efficiencies for both national banks and FSAs, as well as for the OCC. The final rule stems from this review.¹

The OCC published a Notice of Proposed Rulemaking requesting public comment for this rulemaking in the *Federal Register* on June 10, 2014.² The OCC also considered comments submitted pursuant to the federal banking agencies' current decennial review of their regulations required by the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA) when drafting this final rule.³

This integration of the OCC's licensing rules is an integral part of the OCC's process of updating the *Comptroller's Licensing Manual* and the OCC's electronic licensing system to incorporate FSAs.

Further Information

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¹ The OCC has issued previous rulemakings that integrated, or proposed to integrate, its rules for national banks and FSAs relating to lending limits, capital, flood insurance, and safety and soundness standards. See 78 Fed. Reg. 37930 (June 25, 2013), 78 Fed. Reg. 62018 (October 11, 2013), 78 Fed. Reg. 65108 (October 30, 2013), and 79 Fed. Reg. 54518 (September 11, 2014), respectively. Furthermore, the OCC has integrated its rules relating to consumer protection in insurance sales, Bank Secrecy Act compliance, management interlocks, appraisals, disclosure and reporting of Community Reinvestment Act (CRA)-related agreements, and the Fair Credit Reporting Act. See 79 Fed. Reg. 28393 (May 16, 2014).

² 79 Fed. Reg. 33260.

³ Pub. L. No. 104–208 (1996), 110 Stat. 3009–414, codified at 12 USC 3311.

Related Links

- ["Section-by-Section Overview of the OCC Licensing Integration Final Rule"](#) (PDF)
- ["Integration of National Bank and Savings Association Regulations: Licensing Rules"](#) (PDF)

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