

**Supporting Statement**  
**OMB Control Number 1557-0120**  
**(MA)-Securities Offering Disclosure Rules – 12 CFR 16**

**This OMB submission is made pursuant to notices of proposed rulemaking entitled “Regulatory Review Amendments,” and “Securities Offering Disclosure Rules.” The Regulatory Review Amendments rule proposes to delete the public and periodic requirements in 12 CFR 16.20 and the requirement to submit to the OCC a Form D required in 12 CFR 16.7(a)(3). The Securities Offering Disclosure Rules proposes to amend part 16 so that the organizing group of a national bank in organization will, in most cases, not need to provide audited financial statements as part of a public offering of securities.**

**A. Justification**

**1. *Circumstances that make the collection necessary:***

Under 12 U.S.C. 93a, the OCC is empowered to issue rules and regulations to carry out its responsibilities. Under 15 U.S.C. 77q, all securities issuers, including national banks, face liabilities for failing to make full disclosure of all material facts when issuing securities. The requirements in Part 16 enable the OCC to perform its responsibilities relating to offerings of securities by national banks by providing the investing public with facts about the condition of the bank, the reasons for raising new capital, and the terms of the offering. The public needs this information to make an informed decision on whether such securities are an appropriate investment.

Form for Registration. A national bank offering or selling its own securities to the public is required to make such offer or sale through the use of a prospectus that has been filed with the OCC as part of a registration statement.

Abbreviated Form for Registration – A national bank that is a subsidiary of a company that has securities registered under the Securities Exchange Act of 1934 (Exchange Act) may offer and sell securities (nonconvertible debt) only to accredited investors meeting conditions in 12 CFR 16.6 by providing an abbreviated information statement in a form for registration.

Small Issues – A national bank may offer and sell securities publicly in a limited dollar amount by using an Offering Statement meeting the requirements of SEC’s Regulation A (17 CFR 230.251 *et seq.*).

Regulation D – A national bank may offer or sell its own securities in a private placement to accredited or sophisticated investors in compliance with 12 CFR 16.7.

Form 144 – A national bank must file Form 144, which contains information on resales of securities originally sold through the private placement exemption only in certain circumstances.

**2. Use of the information:**

The public uses this information to make an informed decision on whether the securities are an appropriate investment. The OCC uses the information to determine compliance with the applicable requirements of Part 16 and to protect the investing public.

**3. Consideration of the use of improved information technology:**

The submissions do not lend themselves to the use of information technology to reduce the burden of compliance with the requirements of Part 16. However, a national bank may use any means of improved information technology that meets the requirements of Part 16.

**4. Efforts to identify duplication:**

The information required is not otherwise available to the public or to the OCC.

**5. Methods used to minimize burden if the collection has a significant impact on a substantial number of small entities:**

Part 16 does not have a significant impact on a substantial number of small entities.

**6. Consequences to the Federal program if the collection were conducted less frequently:**

The information is required only when a bank offers securities for sale. If the information were collected less frequently, the OCC's monitoring of compliance would be rendered sporadic and incomplete. The public would not be protected adequately and negative safety and soundness consequences could result if banks raised capital without meeting the requirements of Part 16.

**7. Special circumstances necessitating collection inconsistent with 5 CFR 1320:**

Part 16 requires that three copies of the registration statement be filed with the OCC. The registration statement is usually bound in booklet form and submission of additional copies imposes minimal additional burden on national banks. Multiple copies are needed by the OCC to facilitate its review. Later duplication by the OCC of such unwieldy documents would be inefficient and would slow OCC action.

**8. Efforts to consult with persons outside the agency:**

These revisions are being issued for 60 days of public comment through notices of proposed rulemaking. The OCC invites public comments. All comments received will be analyzed and taken into consideration.

**9. Payment to respondents:**

None.

**10. Any assurance of confidentiality:**

None.

**11. Justification for questions of a sensitive nature:**

There are no questions of a sensitive nature.

**12. Burden estimate:**

The information collection requirements in 12 CFR Part 16 are found in §§ 16.3, 16.5, 16.6, 16.7, 16.8, 16.15, and 16.30.

The estimated number of burden hours includes time required 1) to gather and verify information that is included in the various forms, letters, and other requirements; 2) to prepare the required filings; 3) to send the materials to the OCC; 4) to make revisions to and file revisions of the registration statement in response to comments from the OCC; and 5) to make appropriate disclosures.

Cite and Burden Type	Requirements in 12 CFR Part 16	Number of Respondents	Number of Responses	Average Hours Per Response	Estimated Burden Hours
12 CFR 16.3(a) (1), 16.5(d), 16.8, 16.15(a)	<b>Form for Registration</b>	24	24	10 hours	240 hours
12 CFR 16.6 Reporting	<b>Sales of nonconvertible debt -- Abbreviated Form for Registration</b> -- A bank must file offering documents and any amendments with the OCC.	12	12	15 hours	180 hours
12 CFR 16.5(e) – Reference to 144 Reporting and 12 CFR 16.7(b)	<b>Exemptions -- Form 144</b> – The registration statement and prospectus requirements of § 16.3 do not apply to an offer or sale of bank securities in a transaction that satisfies the requirements of Commission Rule 144, 144A, 148, or 236.	5	5	2 hours	10 hours
12 CFR 16.30	<b>Request for interpretive advice or no-objection letter</b> -- Any person requesting interpretive advice or a no objection letter from the OCC shall file a copy of the request, including any supporting attachments with the OCC.	1	1	20 hours	20 hours
<b>Total</b>		<b>48 respondents</b>	<b>48 responses</b>		<b>450 hours</b>

Cite and Burden Type	Requirements in 12 CFR Part 16	Number of Respondents	Number of Responses	Average Hours Per Response	Estimated Burden Hours

*Cost of Hour Burden to Respondents:*

The OCC estimates the cost of the hour burden to respondents (by wage rate categories) as follows:

Clerical (\$20/hour):	20% @ 450 hours =	90 @ \$20	= \$ 1,800
Managerial/technical (\$40/hour):	30% @ 450 hours =	135 @ \$40	= \$ 5,400
Senior Management (\$80/hour):	50% @ 450 hours =	225 @ \$80	= \$ 18,000
Total:			\$ 25,200

**13. Estimate of annualized costs to respondents (excluding the cost of any hour burden shown in Items 12 and 14):**

None.

**14. Estimate of annualized costs to the Federal government:**

None.

**15. Changes in burden:**

Former burden:

81 respondents; 191 responses; 5,333 burden hours

New burden:

48 respondents; 48 responses; 450 burden hours

Difference:

- 33 respondents; - 143 responses; - 4,883 hours (program change)

**16. Information regarding information collections whose results are planned to be published for statistical use:**

Not applicable.

**17. Display of expiration date:**

Not applicable.

***18. Exceptions to certification statement:***

None.

**B. Collections of Information Employing Statistical Methods:**

Not applicable.