

SUPPORTING STATEMENT
Capital Distribution
OMB Control No. 1550-0059

A. JUSTIFICATION

1. Circumstances and Need

12 C.F.R. Part 563, Subpart E, applies to all capital distributions by a savings association. The Office of Thrift Supervision (OTS) revised its regulations governing capital distributions in 2001, which updated, simplified, and streamlined OTS's implementation of the system of prompt corrective action (PCA) established under the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA). The revision also conformed OTS's capital distribution requirements more closely to those of the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC).

The reporting requirements contained in 12 C.F.R. § 563.143 allow savings associations to make capital distributions without notice to the OTS, provided that they are well capitalized, not a subsidiary of a savings and loan holding company, and meet other specified criteria.

Section 563.143 contains the filing requirements using Form 1583 for those savings associations not eligible for exclusion.

There are no third party requirements.

2. Use of Information Collected

The OTS reviews the information to determine whether the request of savings associations is in accordance with existing statutory and regulatory criteria. In addition, the information provides the OTS with a mechanism for monitoring capital distributions since these distributions can reduce an association's capital and perhaps places it at risk.

3. Use of Technology to Reduce Burden

The use of automated systems by federal savings associations may be somewhat helpful in obtaining the necessary information to respond to this information collection. This is true largely with respect to gaining access to the form electronically and printing it out. In this regard, the use of improved technology has been accounted for in the total burden imposed on federal savings associations and is neither significant nor measurable. However, because the named form is largely narrative and require that numerous documents and other information be researched, prepared, or obtained from various sources, and then submitted as attachments to the form, the use of improved

technology would not significantly reduce the burden associated with this information collection.

4. Efforts to Identify Duplication

This information collection is not duplicative within the meaning of the PRA and OMB regulations. Information that is similar to or that corresponds to information that could serve OTS's purpose and need in this information collection is not being collected by any other means or for any other purpose; nor is this information otherwise available in the detail necessary to satisfy the purpose and need for which this collection of information is undertaken. Each transaction is unique, thus the association submits documentation peculiar to each such transaction.

5. Minimizing the Burden on Small Firms

The information collection does not differentiate information requirements on the basis of the institution or holding company's size.

6. Consequences of Less Frequent Collection

The information is submitted only once for each filing. Thrift institutions also have the ability to submit a schedule of future capital distributions for approval, thus reducing their filing requirements. It would be impossible for the information to be collected less frequently.

7. Special Circumstances

The information collection is conducted in a manner consistent with the guidelines set out in 5 C.F.R. § 1320.6. There are no specific recordkeeping requirements imposed by this information collection.

8. Consultation with Persons Outside the OTS

Notice of intent to renew this information collection was published in the Federal Register on August 12, 2008 (73 FR 156). OTS has not received any comments.

9. Payment of Respondents

OTS does not provide payments or gifts to respondents.

10. Confidentiality

The OTS, in conformity with the Department of the Treasury regulations and the mandate of 5 U.S.C. § 552, releases all of the various information collections it gathers, except materials for which the disclosure would result in an invasion of personal privacy, impair the financial stability of the reporting units or otherwise adversely affect any public or private interest. The withholding of these exceptions from public disclosure is in conformity with subparagraphs (b)(4), (6), and (8) of the above Act.

11. Information of a Sensitive Nature

No questions of a sensitive nature are required by the information collection.

12. Estimate of Annual Hour Burden

The total annual hour burden to the respondents is estimated at 546, representing 110 submissions at 4 hours per submission (standard) and 385 submissions at .275 hours (16.5 minutes) per submission.

13. Estimate of Annual Cost

The total annual cost to the respondents is estimated at \$27,300 representing 546 hours at \$50.00 per hour. The hourly rate of \$50.00 per hour is based on an average cost representing a mixture of management and support personnel.

14. Estimates of Annualized Cost to Government

The total annual cost to the government is minimal as no application filing fee is required.

15. Reason for Change in Burden

OTS is citing an increase in burden as an adjustment due to an increase in the number of responses.

16. Publication

The results of the collection of information will not be published.

17. Expiration Date

OTS is not seeking approval to not display the expiration date for OMB approval of the information collection.

18. Exceptions

There are no exceptions to the certification statement located in ROCIS.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.