

**SUPPORTING STATEMENT FOR
INTERAGENCY NOTICE OF CHANGE IN CONTROL
OMB Control No. 1550-0032**

A. JUSTIFICATION

1. Circumstances and Need

Section 1817(j) of the Federal Deposit Insurance Act, as amended (“Act”), and 12 C.F.R. Part 574 require the filing of an application when an individual acquires control of any insured depository institution. Under this statute, persons seeking authority to acquire control of a Federally-insured savings institution must submit a Change of Control notice to the Office of Thrift Supervision (OTS). The information required in connection with a Change of Control notice is used by OTS to evaluate the merits of an application in light of applicable statutory and regulatory criteria.

Section 1817(j) of the Act sets forth the basic criteria that OTS must consider when acting on a Notice of Change of Control. Section 1817(j) states that no person shall acquire control of any insured institution unless OTS has been given sixty days prior written notice of such proposed acquisition. OTS may extend the time period during which a disapproval may be issued if the conditions in subsections (j)(1)(A)-(D) of Section 1817 exist.

The following regulations set forth the guidelines for the filings:

- (1) 12 C.F.R. § 574.3 sets forth guidelines for use in determining when a change of control report must be filed;
- (2) 12 C.F.R. § 574.4 defines conclusive control, sets forth control factors, and states that a rebuttal of determination of control or rebuttal of presumption of concerted action shall be filed with OTS setting forth the facts and circumstances that support the acquirer’s contention that no control relationship exists. If the rebuttal is agreed to by the OTS Director or his/her delegate in writing, a change of control notice need not be filed.

Third Party Notice Requirements

- (1) For Change of Control:
 - a. The applicant is required to publish notice of the filing in a newspaper in English in the community of the home office of the savings association and the community of the home office of the largest subsidiary savings association.

The applicant is required to publish no earlier than seven days before and no later than the date of filing the application.

- b. A notice shall also be provided (i) to the appropriate state supervisor; (ii) to persons whose request for announcements under Section 563e Appendix B have been received in time for such notification; and (iii) to any other person who might have an interest in the application or notice (emphasis supplied, it is optional, not a requirement).

- (2) For Rebuttals of Change in Control:

There are no third party requirements for rebuttals.

2. Use of Information Collected

The Regional Office must review the information contained in the Change of Control notices to determine if the application is considered eligible for delegated action. If the application is considered non-delegated, OTS's Washington staff must also review the application. The OTS must review the information in these applications to determine that no person is acting directly or indirectly, or in concert with one or more other persons, to acquire control of an insured depository institution through the purchase, assignment, transfer, pledge, or other disposition of voting stock of the thrift institution, unless OTS has been afforded sixty days prior written notice to review the proposal and to object to the acquisition.

3. Use of Technology to Reduce Burden

Improved information technology has been considered but not found to be feasible. This information can only be obtained by the proposed information collection procedures.

4. Efforts to Identify Duplication

OTS does not currently have any other collections of information that duplicate the information collected through this regulation.

5. Minimizing the Burden on Small Firms

The information collected must be provided by any organizing group submitting a Change in Control application pursuant to the Act. Some of these persons may be considered small businesses. The information collection does not differentiate information requirements on the basis of an institution's size because OTS is

responsible for evaluating all aspects of each application for change of control, regardless of the applicant's size.

6. Consequences of Less Frequent Collection

Inasmuch as the Notice information is submitted only once for an individual, and each Notice is unique to that individual, it would be impossible for OTS to grant approval without an application.

7. Special Circumstances

The information collection will be conducted in accordance with 5 C.F.R. § 1320.5. If the application is considered non-delegated, the applicant must also file two conformed copies with the Applications Filing Room in Washington, DC. These additional copies must be filed for the purpose of dual review by the appropriate Washington staff.

There are no specific recordkeeping requirements imposed by this information collection.

8. Consultation with Persons Outside the OTS

Notice of intent to extend this information collection was published in the Federal Register on December 1, 2010 (75 FR 74771). OTS has not received any comments.

9. Payment of Respondents

OTS provides no payment or gift to respondents.

10. Confidentiality

12 C.F.R. § 574.6 provides that applicants may request confidential treatment of certain information in their filing by complying with the requirements of Section 574.6(f). Certain information is not available to the public, including, among other things: (1) information exempt from disclosure by statute or executive order; (2) information contained or related to examination, operating, or condition reports prepared for agency use; and (3) privileged information related to the business, personal, or financial affairs of any person which is furnished in confidence.

11. Information of a Sensitive Nature

The form does not request any information that could be considered personally sensitive.

12. Annual Hour Burden Estimate

	<u>Number</u>		<u>Hours</u>	<u>Total</u>
Change of Control	15	×	30	450
Rebuttal of Control	30	×	40	1,200
Newspaper Filings	15	×	1	15
Notice of State Supervisors & other interested parties	15	×	.5	7.5
<i>Total</i>				1,672.5

13. Total Annual Cost Estimate

			<u>Number of Applications Filed</u>	<u>Total</u>
a) Newspaper Fees:				
Avg. lines of information	33			
Cost per line	\$8 = \$264	×	15	\$3,960
	<u>Average Hourly Rate</u>		<u>Hours</u>	
b) Newspapers Filed	\$ 110	×	15	1,650
c) Notices to State Supervisors & other interested parties	110	×	7.5	825
d) Application Filing Fees				354,000
e) Change of Control	110	×	450	49,500
f) Rebuttal of Control	110	×	1,200	132,000
<i>Total Annual Cost Estimate</i>				\$272,228

14. Annualized Cost to Government

Application Fees \$354,000
 Filings (15 change of control;
 30 rebuttal) ÷ 20
 Avg. Annual Cost to Government \$ 7,866.67

15. Reason for Change in Burden

OTS is citing an increase in the inventory burden of 975 hours. The increase is an adjustment in the burden due to an increase in the number of respondents.

16. Publication

Not applicable.

17. Expiration Date

OTS has received permission to not display the expiration date on the forms. The expiration date will not assist the public in determining if this is the correct form to be used when filing with the OTS.

18. Exceptions

There are no exceptions to the certification on OMB Form 83-I.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.