

SUPPORTING STATEMENT
Request for Service Corporation Activity
OMB Control No. 1550-0013

A. JUSTIFICATION

1. Circumstances and Need

12 CFR § 559.11 in part cites, when required by section 18(m) of the Federal Deposit Insurance Act, a savings association (“you”) must file a notice (“Notice”) under part 516, subpart A of this chapter at least 30 days before establishing or acquiring a subsidiary or engaging in new activities in a subsidiary. The Notice must contain all of the information the Federal Deposit Insurance Corporation (FDIC) requires under 12 CFR 362.15. Providing OTS with a copy of the notice you file with the FDIC will satisfy this requirement. If OTS notifies you within 30 days that the Notice presents supervisory concerns, or raises significant issues of law or policy, you must apply for and receive OTS's prior written approval under the standard treatment processing procedures at part 516, subpart A and E of this chapter before establishing or acquiring the subsidiary or engaging in new activities in the subsidiary.

12 CFR § 559.12 in part cites, for as long as any securities are outstanding, you must maintain all records generated through each securities issuance in the ordinary course of business, including a copy of any prospectus, offering circular, or similar document concerning such issuance, and make such records available for examination by OTS.

These requirements allow OTS to review service corporation activities and to ensure that they will not adversely affect an institution's safety and soundness.

2. Use of Information Collected

The information will be used by OTS to ensure that the principles of safety and soundness are adhered to in the issuance of securities. It was determined that all supervisory concerns would be satisfied if the information previously reported is available for inspection by OTS examiners.

3. Use of Technology to Reduce Burden

Savings associations issuing securities are permitted and encouraged to use advanced technology in the preparation of the required information.

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

This information collection does not differentiate information on the basis of the institution's size. Any savings association desiring to issue securities must maintain the information, regardless of its size.

6. Consequences of Less Frequent Collection

OTS could not properly ensure that safety and soundness principles for institutions are adhered to if this information were not collected.

7. Special Circumstances

OTS believes that the collection of information required will not exceed that set forth at 5 C.F.R. §1320.6. Where no limit is specified, the records should be maintained in accordance with basic business practices, as recommended by private counsel, accountants, etc., but no less than three years.

8. Consultation with Persons outside the OTS

Notice of intent to renew this information collection was published in the Federal Register on March 10, 2011 (Vol. 76 page 13273). OTS did not receive any comments.

9. Payment of Respondents

OTS provides no payments or gifts to respondents.

10. Confidentiality

OTS treats all data reported or maintained by any operating savings association with the highest degree of confidentiality. Any deviance from this policy could result in irreparable damage to a savings association, the integrity of the examination process, or the Savings Association Insurance Fund. Confidentiality is also required due to the potential litigation arising out of OTS's dealings with some savings associations. The information gathered relating to the issuance of securities will be afforded the same confidential treatment.

11. Information of a Sensitive Nature

No questions of a sensitive nature are included in the collections.

12. Estimate of Annual Hour Burden

The total annual hour reporting burden is calculated by:

Form 1566

	<u>Number</u>	<u>Hours</u>	<u>Annual Hours</u>
Respondents	19	.50	9.5

13. Estimate of Annual Cost

The total annual cost burden to the respondents is calculated by:

Total Annual Hour Burden Estimate	9.5
Per Hour	\$ 50
	\$ 475
Application Filing Fees	\$114,000
Total Annual Cost Estimate	\$114,475

14. Estimates of Annualized Cost to Government

Due to the fact that applications filed under the rule are not required to be in any specific form, the information collection does not have a cost factor to the Federal government.

15. Reason for Change in Burden

OTS is requesting an adjustment in the burden of (.50) hours due to a reduction in the number of respondents.

16. Publication

The 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 on OMB Form 83-I.

B. Collection of Information Employing Statistical Methods

Not applicable.