

SUPPORTING STATEMENT

APPLICATION FOR WAIVER OF PROHIBITION ON ACCEPTANCE OF BROKERED DEPOSITS BY ADEQUATELY CAPITALIZED INSURED INSTITUTIONS (OMB No. 3064-0099)

INTRODUCTION

The FDIC is requesting OMB approval for a three-year extension without revision to the information collection, as captioned above. The current clearance expires on March 31, 2014.

A. JUSTIFICATION

1. Circumstances and Need

In general, section 29 of the Federal Deposit Insurance Act prohibits undercapitalized insured depository institutions from accepting, renewing, or rolling over any brokered deposit. Adequately capitalized institutions may do so with a waiver from the FDIC. The requirements for a brokered deposit waiver are found at 12 CFR 303.243.

2. Use of Information Collected

The applicant is required to furnish information in letter form. Generally, the required information pertains to the timeframe for which the waiver is requested; policies governing the use of the deposits; the volume, rates, and maturities of deposits held and anticipated; asset growth plans; procedures and practices regarding deposit solicitations; management oversight of the solicitation, acceptance, and use of the deposits; the reasons the institution believes its acceptance, renewal, or rollover of brokered deposits would pose no undue risk; and a recent consolidated financial statement, including balance sheet and income statement.

The information furnished by the applicant is used by the FDIC as a basis for evaluating the factors required by statute before approving the application. Specifically, the FDIC must determine that the acceptance of such deposits does not constitute an unsafe or unsound practice with respect to such institution.

3. Use of Technology to Reduce Burden

The information is collected through *FDICConnect*, a secure interactive Website.

4. Efforts to Identify Duplication

This collection does not duplicate information available elsewhere. The information is unique to the occasion to which the application relates.

5. Minimizing the Burden on Small Banks

The information collected is only that required to evaluate the applicant, giving consideration to the statutory factors enumerated in section 29 of the FDI Act.

6. Consequences of Less Frequent Collections

The information is collected only when an adequately capitalized insured depository institution wishes to accept, renew, or rollover brokered deposits.

7. Special Circumstances

None.

8. Consultation with Persons Outside the FDIC

A “first” Federal Register notice seeking comment for this collection was published on January 16, 2014 (79 FR 2836). No comments were received. This collection was the subject of a number of Notices of Proposed Rulemaking. Parts of the collection were developed under the auspices of the Conference of State Bank Supervisors by a working group comprised of representatives of selected state banking departments, the Federal Reserve Board and the FDIC.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Any information deemed to be of a confidential nature would be exempt from public disclosure under relevant provisions of the Freedom of Information act (5 USC 552).

11. Information of a Sensitive Nature

No information of a sensitive nature is required.

12. Estimate of Annual Burden

Number of applications:	130
Hours to prepare an application:	6
Total annual burden hours:	780.
Average hourly rate:	\$42.
Total annual cost	\$32,760

13. Capital, Start-up, Operating, and Maintenance Cost Burden

None.

14. Estimated Annual Cost to Federal Government

None.

15. Reason for Change in Burden

There is no change in burden.

16. Publication

There is no publication of the information collected.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Statistical methods are not employed in this collection of information.