

Application for a Conversion of an Office of a Foreign Bank

Foreign Bank Identifying Information

Foreign Bank Name _____
(exact corporate title of bank)

Address _____
(headquarters office address of foreign bank, city, state, country)

Branch or Agency Identifying Information

License No. _____ A fee of \$ _____ is enclosed.

Foreign Branch or Agency Name _____
(exact corporate title of branch or agency)

Address _____
(street address of branch or agency, city, county, state, ZIP Code)

Application Identifying Information

State-to-Federal Conversion or Federal Agency or Limited Federal Branch to Federal Branch Conversion

For a state-to-federal license conversion or an expansion in the activities of a federal agency or limited federal branch, complete the "Identifying Information" sections on the previous page, this section, and the sections that follow, as applicable. Also refer to the previous sample cover letters.

- State (branch/limited branch/agency/commercial lending office) into a (federal branch/limited federal branch/federal agency).
- Limited federal branch into a federal branch.
- Federal agency into a (federal branch or limited federal branch).

Streamlined Submission

Does this application qualify for or has it been approved for a streamlined application? Yes No

If "yes," include supporting information.

Representative Information

Name _____

Address _____

City _____ State _____ ZIP Code _____

Phone No. _____ Fax No. _____ E-mail _____
(country and area code as applicable)

Statutory and Regulatory Factors

1. Legality

- a. Do any legal requirements exist that will affect the proposal?
Yes No

If "yes," does this filing comply with state law requirements?
Yes No

If the preceding answer is "no," or if approval of this application would be precedential under federal or state laws, provide a legal analysis in support of the application.

- b. Are there any other legal issues involved with this proposal?
Yes No

If "yes," provide a legal analysis and discuss the legal issue(s) fully.

- c. Is notice/application required by any other regulatory authority?
Yes No

If "yes," submit a copy of the notification/application.

2. Business

- a. Provide a brief explanation of the reason for the requested conversion.
- b. Explain if the proposed change will alter the types of business conducted by the United States office(s) of the foreign bank. If so, discuss management's strategic plan for its United States operation(s).
- c. Provide one copy of the daily Statement of Condition of the office of the foreign bank, as of the most recent month-end date.

3. Community Reinvestment Act (CRA)

Is the converting entity insured by the Federal Deposit Insurance Corporation (FDIC)?
Yes No

If "yes," CRA applies and the applicant should discuss how the conversion of the office will affect the provision of banking services to the community. Also include a copy of the most recent CRA rating and public assessment.

General Information

NOTE: Questions with an asterisk (*) need not be answered by applicants converting from a state to a federal license. If the conversion involves an expansion of activities, all questions in this section must be answered.

- 1.* State the applicant bank's reasons for applying for the proposed federal branch or agency (will it further the development of the applicant's international business, and if so, how).

- 2.* Describe the expanded type(s) of services and financing that will be offered at the limited federal branch or federal branch, including whether any existing or planned future business will be transferred from another office. If applicable, describe how other offices of the foreign bank, including those in offshore banking centers, will be managed or controlled through the expanded federal branch.
3. *[The following information may be waived for foreign bank applicants currently supervised by the OCC, if the OCC previously has received this information. If the OCC does not have recent financial information on the foreign bank, this information will be required for a change in status to expand a current limited federal branch or federal agency.]*

Provide the date the applicant bank's fiscal year ends, and two copies of each of the following financial reports in English and denominated in United States dollars:

- The latest annual report of the foreign bank applicant.
- Parent only and consolidated balance sheets, showing separately each principal group of assets, liabilities, and capital accounts as of the end of the most recent fiscal quarter and for the comparable quarter of the preceding year. Include information on all contingent liabilities (for example, standby and commercial letters of credit, guarantees, commitments to grant or purchase loans and securities, and contracts to purchase/sell foreign exchange).
- Parent only and consolidated profit and loss statements, showing separately each principal source of revenue and expense, year-to-date through the end of the most recent fiscal quarter, the comparable quarter of the preceding year, and for the most recent three fiscal years.
- On a consolidated basis, a breakdown of risk-based assets as of the end of the most recent fiscal quarter, showing each principal group of on- and off-balance sheet assets and the relevant risk weights. Also, identify the components of tier 1 and tier 2 capital under the risk-based capital guidelines and provide calculations of the applicant's tier 1 and total capital to risk-based assets.

Since a federal branch or agency is allowed to use the total capital accounts of its parent foreign bank in determining limitations and restrictions, the applicant bank must describe its capital structure in terms that equate to United States banking standards. Such information facilitates an assessment of capital adequacy.

12 CFR 3 outlines the accounts the OCC considers as capital. Describe those items on the applicant bank's balance sheet that correspond to the indicated capital accounts in 12 CFR 3, and describe where they are carried currently on the applicant's annual statement of condition.

- Current information that will enable the OCC to judge the quality of the applicant bank's assets. The information should be presented for

the applicant's consolidated organization and, if available, include, but not be limited to:

- Delinquencies.
- Nonaccrual assets.
- Assets acquired in satisfaction of debts previously contracted.
- Loans with reduced interest charges.

Applicant's definitions of those terms should be provided.

Financial statements may be prepared according to local accounting practices. However, an explanation of the accounting terminology and major features of the accounting standards used to prepare the financial statements must be provided and explained further when they differ from International Accounting Standards. Fiscal financial statements must be certified by an independent and reputable auditing firm.

4. Comment on how and from what sources the proposed federal branch or agency will be funded, and provide the name and address of the state member bank or national bank that will serve as the depository bank for the required capital equivalency deposit (CED) for the proposed federal branch or agency (see 12 CFR 28).
- 5.* Comment on how the limited federal branch or federal agency will attract sufficient business to ensure financial and economic success.

Corporate Papers and Legal Opinions

6. Attach and make a part of this application copies, in English, of the resolution(s) adopted by the applicant bank's governing board for:
 - Authorization for bank officer(s) or agent/representative to file an application for a federal branch, agency, or limited federal branch license or to expand the operations of an existing federal agency or limited federal branch.
 - Designation of a representative(s) or bank officer(s), who will be permitted to sign the application and a designation to them of authority to represent the board fully in all matters regarding this application.
 - The applicant bank's agreement to conduct its operation in the United States in full compliance with any provisions of any United States laws that apply to national banks and that prohibit discrimination against any person on the basis of race, color, religion, sex, marital status, age, or national origin.
 - The executed document "Conditions for Initial and Additional Establishment."
7. Attach and make a part of this application an opinion of United States counsel that the proposal complies with relevant state laws and a letter from the applicant bank's foreign legal counsel certifying that:
 - The applicant bank's charter authorizes the applicant to conduct the business contemplated by the application.

- The applicant has conducted, and is now conducting, its business as authorized by its charter and bylaws.
 - The filing of this application complies with the local laws of the country in which the applicant is organized, operates, or conducts its principal business.
8. If automated data processing of any kind is planned for the proposed federal branch or agency, describe the scope and nature of the records that will be automated, the planned location of the data processing facility and equipment, and the name and location of the planned data processing service company.

Certifications

I certify that the information contained in this filing has been examined carefully by me and is true, correct, and complete, and is current as of the date of the submission. I acknowledge that any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject me to legal sanctions provided by 18 USC 1001.

I acknowledge that approval of this application is in the discretion of the OCC. Actions or communications, whether oral, written, or electronic, by the OCC or its employees in connection with this filing, including approval of the application, if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the OCC, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Executed this _____ day of _____, _____.

Signature of Authorized Officer

Name and Title Typed

Attachments* (Check all that apply):

- Board of directors' authorization to bank representative
- Streamlined submission supporting information
- General information about the applicant bank, such as ownership, corporate structure, and home country supervision
- Biographical information on general manager and other proposed officers
- Consolidated financial reports for foreign bank applicant, in English and United States dollars
- A strategic plan, describing how the expanded office will fit into the foreign bank's global and United States strategy
- A legal opinion, certifying that the proposal complies with domestic and foreign laws
- Fiduciary powers request
- Filing fee
- Conditions for Initial and Additional Establishment

* No enclosures are required for information that relates to questions in the application that may be omitted in a streamlined submission.