

## **Operating Subsidiary Application**

### **General Information and Instructions**

#### **Preparation and Use**

This application is used to effect a transaction under 12 USC 24(Seventh) and 12 CFR 5.34 for national banks and 12 USC 1828(m) and 12 CFR 5.38 for federal savings associations to acquire or establish an operating subsidiary, or to commence a new activity in an existing operating subsidiary. A national bank or a federal savings association will be referred to as “bank” or “applicant.”

All questions must be answered with complete and accurate information that is subject to verification. If the answer is “none,” “not applicable,” or “unknown,” so state. Answers of “unknown” should be explained.

The questions in the application are not intended to limit the applicant’s presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. For such information, a cross-reference to the information is acceptable. Any cross-reference must be made to a specific cite or location in the documents, so the information can be found easily. Supporting information for all relevant factors, setting forth the basis for the applicant’s conclusions, should accompany the application. The regulatory agency may request additional information.

This application form collects information that the Office of the Comptroller of the Currency (OCC) will need to evaluate an operating subsidiary application. The OCC must consider the applicable statutory requirements, set forth above, if any, as well as applicable regulatory requirements, when acting on this application. For additional information regarding these statutory and regulatory requirements, as well as processing procedures and guidelines and any supplemental information that may be required, refer to the OCC’s procedural guidelines in the *Comptroller’s Licensing Manual*. The applicant may contact the OCC directly for specific instruction or visit the OCC’s Web site at [www.occ.gov](http://www.occ.gov).

#### **Notice of Publication**

Generally, public notice under 12 CFR 5.8 does not apply to an operating subsidiary application, unless the OCC determines that the application presents a significant or novel policy, supervisory, or legal issue where a public notice is considered necessary. A public notice also may be required where an operating subsidiary application is accompanied by a second application that requires a publication notice under 12 CFR 5.8. In this instance, a public notice describing the entire transaction may be necessary to ensure the public has a full understanding of the entire transaction.

If a notice is required, the applicant must publish notice of the proposed operating subsidiary application in a newspaper of general circulation in the community or communities in which the

applicant proposes to engage in business. The OCC will provide specific requirements for the notice of publication.

### **Submission**

In addition to an original application and the appropriate number of signed copies, submit an electronic copy of the information in the application, especially of the business plan's financial projections, if applicable. For e-mail submissions, contact the OCC for instructions and information about secure transmission of confidential material.

### **Confidentiality**

Any applicant desiring confidential treatment of specific portions of the application must submit a request in writing with the application. The request must discuss the justification for the requested treatment. The applicant's reasons for requesting confidentiality should specifically demonstrate the harm (for example, loss of competitive position, invasion of privacy) that would result from public release of information (5 USC 552 or relevant state law). Information for which confidential treatment is requested should be (1) specifically identified in the public portion of the application (by reference to the confidential section); (2) separately bound; and (3) labeled "Confidential." The applicant should follow the same procedure when requesting confidential treatment for the subsequent filing of supplemental information to the application. Contact the OCC for any further questions regarding requests for confidential treatment.

## Operating Subsidiary Application

### Applicant

Name		Charter no.	
Current street address			
City	County	State	Zip code

### Parent Company Identifying Information (if applicable)

Name			
Street			
City		State	Zip code

### Contact Person

Name		Title	
Employer			
Street			
City		State	Zip code
Telephone no.	Fax no.	E-mail address	

#### 1. Overview

- The applicant requests approval to
- establish an operating subsidiary.
  - acquire an operating subsidiary.
  - conduct a new activity in an existing operating subsidiary.

2. Name and address of operating subsidiary:

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Name

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Street

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City

State

Zip code

Country

3. The activity will be performed at

main/home office.

branch location.

offshore location.

other location.

4. The bank owns more than 50 percent of the voting or similar type of controlling interest of the subsidiary:

**Yes**  **No**

If no, describe how the bank controls or will control the subsidiary.

5. If the federal savings association will own less than 100 percent, identify the other owners and their ownership interest.

6. Proposed investment amount: \$  
Percent of total capital: %

7. Include a copy of any filings made with other regulators.

8. Provide a complete description of the investment and the activity to be performed, and the organizational structure, management, and relationships between the bank and the subsidiary, and any significant effect that the subsidiary will have on the bank's condition and earnings.

9. Describe how the applicant has the ability to control the management and operations of the subsidiary, and no other person or entity exercises effective operating control over the subsidiary or has the ability to influence the subsidiary's operations to an extent equal to or greater than that of the bank.

10. Include a copy of the draft or final operating agreement or similar document.

11. Cite the specific authority permitting the activity to be conducted. Where the authority relied on is in published OCC precedent or former, non-rescinded Office of Thrift Supervision opinions, attach a copy of the document.

12. Is the operating subsidiary a registered investment advisor?

Yes  No

If no, will the operating subsidiary accept fiduciary appointments for which fiduciary powers are required, such as acting as trustee or executor?

Yes  No

If yes, both the bank and the operating subsidiary must each have its own fiduciary powers. Has the operating subsidiary filed for and received approval to engage in fiduciary activities under the law applicable to the subsidiary AND has the parent bank filed for and received approval to engage in fiduciary activities pursuant to 12 CFR 5.26 (or a predecessor provision)?

Yes  No

13. Is this the initial affiliation of the bank with a company engaged in insurance activities (including a broker dealer selling annuities that are considered insurance products under state law)?

Yes  No

If yes, describe the type of insurance activities that the company is engaged in and has present plans to conduct:

For each state in which the company holds an insurance license, indicate the lines of business, the state where the subsidiary holds a resident license or charter, and the type of license (enter additional lines as needed):

- a. Line of business:  
State:  
Type of license:
- b. Line of business:  
State:  
Type of license:
- c. Line of business:  
State:  
Type of license:

14. For federal savings associations only:

Is the application eligible for the expedited review process pursuant to 12 CFR 5.38(e)(5)(ii) (B)?

Yes  No

If yes, indicate the proposed activity as listed at 12 CFR 5.38(e)(5)(v) cite (A-S). If no, explain why the federal savings association is not eligible for expedited review.

**OCC CERTIFICATION**

I certify that the bank’s board of directors, shareholders or a designated official has authorized the filing of this application. I certify that the information contained in this application has been examined carefully and is true, correct, complete and current as of the date of this submission. Additionally, I agree to notify the OCC if the facts described in the filing materially change prior to receiving a decision or at any time prior to consummation of the action contemplated herein.

I acknowledge that any misrepresentation or omission of a material fact with respect to this application, any attachments to it, and any other documents or information provided in connection with this application may be grounds for denial of the application or revocation of its approval, and may subject the undersigned to legal sanctions, including the criminal sanctions provided for in Title 18 of the United States Code.

I acknowledge that the approval of this application is in the discretion of the OCC. The activities and communications by OCC employees in connection with the filing, including approval of the application if granted, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

\_\_\_\_\_  
President or other authorized officer

\_\_\_\_\_  
Typed name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Employer