

COMPTROLLER OF THE CURRENCY
ADMINISTRATOR OF NATIONAL BANKS AND FEDERAL SAVINGS ASSOCIATIONS
NOTICE OR APPLICATION FOR CAPITAL DISTRIBUTION

Filing Instructions

Capital distributions by a Federal savings association (FSA) may require the filing of an application or a notice to the Office of the Comptroller of the Currency (OCC) prior to payment of a capital distribution.

Application Requirement

An FSA must file a capital distribution application with the OCC if: (1) the FSA is not eligible for expedited treatment under 12 C.F.R. § 116.5; (2) the total amount of the FSA's capital distributions (including the proposed capital distribution) for the applicable calendar year exceeds the FSA's net income for that year to date, plus retained net income for the preceding two years; (3) the FSA would not be at least adequately capitalized after the capital distribution, as set forth in 12 C.F.R. § 165.4(b)(2); or (4) the proposed capital distribution would violate any applicable statute, regulation, or agreement between the FSA and the OCC or the Office of Thrift Supervision (OTS), or violate a condition imposed on the FSA in connection with an application or notice approved by the OCC or the OTS.

Notice Requirement

If an FSA is not required to file a capital distribution application, it may be required to file a capital distribution notice with the OCC if: (1) the FSA would not be well capitalized following the capital distribution as set forth in 12 C.F.R. § 165.4(b)(1); (2) the proposed capital distribution would reduce the amount of or retire any part of the FSA's common or preferred stock, or retire any part of debt instruments (such as notes or debentures) included in capital under 12 C.F.R. Part 167 (other than regular payments required under a debt instrument approved under 12 C.F.R. § 163.81); or (3) the FSA is a subsidiary of a Federally chartered mutual savings and loan holding company.

Informational Submissions

If an FSA is not required to file an application or notice with the OCC, but is required to file a notice with the Federal Reserve Board (Board) involving a cash dividend pursuant to 12 U.S.C. § 1467a(f), the FSA is required to provide an informational copy of the filing to the OCC under 12 C.F.R. § 163.143(d) at the same time it is filed with the Board.

Where to File

Unless otherwise directed by the OCC, copies of applications or notices must be filed with the OCC in accordance with 12 C.F.R. § 116.40.¹

Address the application or notice to the attention of the **District Supervisory Office**, if the following applies:

- The capital distribution involves solely a cash dividend from retained earnings (including cash dividends that exceed the limits set forth in 12 C.F.R. § 163.143(a)(2)).
- The capital distribution involves a cash dividend from retained earnings or involves a cash dividend from retained earnings that also results in a reduction in the capital account.

Address the application or notice to the attention of the **District Licensing Office**, if the capital distribution involves a non-cash payment, distribution of property, payment-in kind, or solely involves a reduction in capital.

¹ A Federal savings association that is a subsidiary of a savings and loan holding company must provide notice to the Board pursuant to 12 U.S.C. 1467a(f) at least 30 days before declaring the dividend.

Docket Number: _____

**COMPTROLLER OF THE CURRENCY
ADMINISTRATOR OF NATIONAL BANKS AND FEDERAL SAVINGS ASSOCIATIONS
NOTICE OR APPLICATION FOR CAPITAL DISTRIBUTION**

TO: Comptroller of the Currency

Date of Filing: _____

We, the undersigned executive officer and secretary, pursuant to the resolution of majority of the members of the board directors, of:

Federal Savings Association Name

Street Address of Federal Savings Association (include City, State and Zip Code)

(hereinafter the Association), hereby submit this filing to the Office of the Comptroller of the Currency (OCC) regarding its intent to issue a capital distribution in the amount equal to \$ _____, pursuant to 12 C.F.R. § 163.140, and do hereby represent:

1. That pursuant to 12 C.F.R. § 163.143 the Association's capital distribution filing is a(n) () application, or () notice;
2. That pursuant to 12 C.F.R. 116.5, the Association () qualifies for expedited treatment, or () qualifies for standard treatment;
3. That the capital distribution () does, or () does not, exceed retained net income for the prior two (2) year period plus current year-to-date retained earnings pursuant to 12 C.F.R. §163.143(a)(2);
4. That following the capital distribution, the Association will remain () well capitalized as defined in 12 C.F.R. § 165.4(b)(1), or () adequately capitalized as defined in 12 C.F.R. § 165.4(b)(2);
5. That the capital distribution will not reduce capital below the amount required for any liquidation account (see 12 C.F.R. § 192.450). The amount of the liquidation account is \$ _____ (in 000s);
6. That the Association is in compliance with the Qualified Thrift Lender Test (QTL) in 12 USC § 1467a(m), or the Association is operating under an exception to the QTL granted under 12 USC § 1467a(m)(2). If applicable, enter date exception expires;

7. That the capital distribution does not violate a prohibition contained in any applicable statute, regulation, or agreement between the Association and the OCC or the Office of Thrift Supervision (OTS), or violate a condition imposed on the Association in an application or notice approved by the OCC or the OTS; and
8. That the Association has provided a detailed narrative description of the capital distribution pursuant to 12 C.F.R. § 163.144, including:
 - (a) the amount and type of dividend, e.g., cash dividend from retained earnings or reduction in permanent capital; the date of the dividend payment; projections of pro forma capital; and
 - (b) whether the Association is a subsidiary of a savings and loan holding company and is required to file a notice of a dividend pursuant to 12 U.S.C. § 1467a(f), including the name of the holding company.

Executive Officer

Secretary

Date of Receipt