This nonmaterial change is being made pursuant to a final rule titled "Economic Growth and Regulatory Paperwork Reduction Act of 1996 Amendments." The final rule amends §§ 5.20 and 5.53 to clarify what type of application is to be used when an existing national bank or Federal savings association proposes to change the purpose and type of charter under which it operates. The OCC charters national banks and Federal savings associations that are authorized to conduct any activity permitted for a national bank or a Federal savings association, respectively (full-service charters). The OCC also charters national banks and Federal savings associations whose activities are limited to a special purpose. When the OCC grants approval for a special purpose institution, the approval decision generally includes a condition requiring the institution to conduct only the limited activity. If the institution later desires to expand the scope of its business, it must seek OCC approval. Previously, filings to change the purpose of a charter had no established framework and the OCC addressed them on a case-by-case basis when an institution inquired. Section 5.53 now covers transactions that are similar to a change in purpose and type of charter. Because the changes to an institution's assets, liabilities, and business lines that would be involved in a change in the purpose of a charter would necessitate a filing under

§ 5.53, the final rule clarifies § 5.53 to expressly add change in charter type to the transactions that are covered by § 5.53. The final rule also adds provisions to § 5.20, where special purpose charters are discussed, that describe changes in charter purpose, set out the requirement for an application, and direct institutions to § 5.53 for the relevant application.

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