

SUPPORTING STATEMENT  
SECURITIES OF STATE NONMEMBER BANKS AND STATE SAVINGS ASSOCIATIONS  
(OMB No. 3064-0030)

INTRODUCTION

The Federal Deposit Insurance Corporation (“FDIC”) is requesting OMB approval for the revisions and extension of a currently approved collection of information. Approval for the current collection expires on September 30, 2016. The information collection requirements are contained in 12 CFR 335 of the FDIC’s regulations. The collection of information is captioned “Securities of State Nonmember Banks and State Savings Associations,” Under Part 335, the information is collected from FDIC-supervised institutions (state nonmember banks and state savings associations) subject to the securities registration requirements of the Securities Exchange Act of 1934, as amended (“the Exchange Act”) as well as from the officers, directors, and principal shareholders of such institutions and certain persons making tender offers for these institutions’ registered equity securities. The information is considered necessary for actual and potential investors making investment decisions concerning securities issued by reporting institutions.

BACKGROUND

Section 12(i) of the Exchange Act grants authority to the Federal banking agencies to administer and enforce Sections 10A(m), 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of the Exchange Act and Sections 302, 303, 304, 306, 401(b), 404, 406, and 407 of the Sarbanes-Oxley Act of 2002. Pursuant to Section 12(i), the FDIC has the authority, including rulemaking authority, to administer and enforce these enumerated provisions as may be necessary with respect to state nonmember banks and state savings associations over which it has been designated the appropriate Federal banking agency. Section 12(i) generally requires the FDIC to issue regulations substantially similar to those issued by the Securities and Exchange Commission (“SEC”) regulations to carry out these responsibilities. Thus, Part 335 of the FDIC regulations incorporates by cross-reference the SEC rules and regulations regarding the disclosure and filing requirements of registered securities of state nonmember banks and state savings associations.

This information collection includes the following:

Beneficial Ownership Forms: FDIC Forms 3, 4, and 5 (FDIC Form Numbers 6800/03, 6800/04, and 6800/05)

Pursuant to Section 16 of the Exchange Act, every director, officer, and owner of more than ten percent of a class of equity securities registered with the FDIC under Section 12 of the Exchange Act must file with the FDIC a statement of ownership regarding such securities. The initial filing is on Form 3 and changes are reported on Form 4. The Annual Statement of beneficial ownership of securities is on Form 5. The forms contain information on the reporting person’s relationship to the company and on purchases and sales of such equity securities. 12 CFR Sections 335.601 through 336.613 of the FDIC’s regulations, which cross-reference 17 CFR 240.16a of the SEC’s regulations, provide the

FDIC form requirements for FDIC Forms 3, 4, and 5 in lieu of SEC Forms 3, 4, and 5, which are described at 17 CFR 249.103 (Form 3), 249.104 (Form 4), and 249.105 (Form 5).

#### Forms 8-A and 8-C for Registration of Certain Classes of Securities

Form 8-A is used for registration pursuant to Section 12(b) or (g) of the Exchange Act of any class of securities of any issuer which is required to file reports pursuant to Section 13 or 15(d) of that Act or pursuant to an order exempting the exchange on which the issuer has securities listed from registration as a national securities exchange. Form 8-C has been replaced by Form 8-A. Form 8-A is described at 17 CFR 249.208a. There is no actual “Form 8-A” as filers must produce a customized narrative document in compliance with the requirements in accordance with the filer’s particular circumstances.

#### Form 8-K: Current Report

This is the current report that is used to report the occurrence of any material events or corporate changes that are of importance to investors or security holders and have not been reported previously by the registrant. It provides more current information on certain specified events than would Forms 10-Q and 10-K. The form description is at 17 CFR 249.308. There is no actual “Form 8-K” as filers must produce a customized narrative document in compliance with the requirements in accordance with the filer’s particular circumstances.

#### Forms 10 and 10-C: Forms for Registration of Securities

Form 10 is the general reporting form for registration of securities pursuant to section 12(b) or (g) of the Exchange Act of classes of securities of issuers for which no other reporting form is prescribed. It requires certain business and financial information about the issuer. Form 10-C has been replaced by Form 10. Form 10 is described at 17 CFR 249.210. There is no actual “Form 10” as filers must produce a customized narrative document in compliance with the requirements in accordance with the filer’s particular circumstances.

#### Form 10-K: Annual Report

This annual report is used by issuers registered under the Exchange Act to provide information described in Regulation S-K, 17 CFR 229. The form is described at 17 CFR 249.310. There is no actual “Form 10-K” as filers must produce a customized narrative document in compliance with the requirements in accordance with the filer’s particular circumstances.

#### Form 10-Q: Quarterly Reports

The Form 10-Q is a report filed quarterly by most reporting companies. It includes unaudited financial statements and provides a continuing overview of major changes in

the company's financial position during the year, as compared to the prior corresponding period. The report must be filed for each of the first three fiscal quarters of the company's fiscal year and is due within 40 or 45 days of the close of the quarter, depending on the size of the reporting company. The description of Form 10-Q is at 17 CFR 249.308a. There is no actual "Form 10-Q" as filers must produce a customized narrative document in compliance with the requirements in accordance with the filer's particular circumstances.

#### Form 12b-25: Notification of Late Filing

This notification extends the reporting deadlines for filing quarterly and annual reports for qualifying companies. There is no FDIC Form 12b-25. The form is described at 17 CFR 249.322.

#### Form 15: Certification and Notice of Termination of Registration

This form is filed by each issuer to certify that the number of holders of record of a class of security registered under section 12(g) of the Exchange Act is reduced to a specified level in order to terminate the registration of the class of security. For a bank, the number of holders of record of a class of registered security must be reduced to less than 1,200 persons. For a savings association, the number of record holders of a class of registered security must be reduced to (1) less than 300 persons or (2) less than 500 persons and the total assets of the issuer have not exceeded \$10 million on the last day of each of the issuer's most recent three fiscal years. In general, registration terminates 90 days after the filing of the certification. There is no FDIC Form 15. This form is described at 17 CFR 249.323.

#### Schedule 13D: Certain Beneficial Ownership Changes

This Schedule discloses beneficial ownership of certain registered equity securities. Any person or group of persons who acquire a beneficial ownership of more than 5 percent of a class of registered equity securities of certain issuers must file a Schedule 13D reporting such acquisition together with certain other information within ten days after such acquisition. Moreover, any material changes in the facts set forth in the Schedule generally precipitates a duty to promptly file an amendment on Schedule 13D. The SEC's rules define the term beneficial owner to be any person who directly or indirectly shares voting power or investment power (the power to sell the security). There is no FDIC form for Schedule 13D. This schedule is described at 17 CFR 240.13d-101.

#### Schedule 13E-3: Going Private Transactions by Certain Issuers or Their Affiliates

This schedule must be filed if an issuer engages in a solicitation subject to Regulation 14A or a distribution subject to Regulation 14C, in connection with a going private merger with its affiliate. An affiliate and an issuer may be required to complete, file, and disseminate a Schedule 13E-3, which directs that each person filing the schedule state whether it reasonably believes that the Rule 13e-3 transaction is fair or unfair to

unaffiliated security holders. There is no FDIC form for Schedule 13E-3. This schedule is described at 17 CFR 240.13e-100.

#### Schedule 13G: Certain Acquisitions of Stock

Certain acquisitions of stock that are over than 5 percent of an issuer must be reported to the public. Schedule 13G is a much abbreviated version of Schedule 13D that is only available for use by a limited category of persons (such as banks, broker/dealers, and insurance companies) and even then only when the securities were acquired in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the issuer. There is no FDIC form for Schedule 13G. This schedule is described at 17 CFR 240.13d-102.

#### Schedule 14A: Proxy Statements

State law governs the circumstances under which shareholders are entitled to vote. When a shareholder vote is required and any person solicits proxies with respect to securities registered under Section 12 of the Exchange Act, that person generally is required to furnish a proxy statement containing the information specified by Schedule 14A. The proxy statement is intended to provide shareholders with the proxy information necessary to enable them to vote in an informed manner on matters intended to be acted upon at shareholders' meetings, whether the traditional annual meeting or a special meeting. Typically, a shareholder is also provided with a proxy card to authorize designated persons to vote his or her securities on the shareholder's behalf in the event the holder does not vote in person at the meeting. Copies of preliminary and definitive (final) proxy statements and proxy cards are filed with the FDIC. There is no FDIC form for Schedule 14A. The description of this schedule is at 17 CFR 240.14a-101.

#### Schedule 14C: Information Required in Information Statements

An information statement prepared in accordance with the requirements of the SEC's Regulation 14C is required whenever matters are submitted for shareholder action at an annual or special meeting when there is no proxy solicitation under the SEC's Regulation 14A. There is no FDIC form for Schedule 14C. This schedule is described at 17 CFR 240.14c-101.

#### Schedule 14D-1: Tender Offer

This schedule is also known as Schedule TO. Any person, other than the issuer itself, making a tender offer for certain equity securities registered pursuant to Section 12 of the Exchange Act is required to file this schedule if acceptance of the offer would cause that person to own over 5 percent of that class of the securities. This schedule must be filed and sent to various parties, such as the issuer and any competing bidders. In addition, the SEC's Regulation 14D sets forth certain requirements that must be complied with in connection with a tender offer. This schedule is described at 17 CFR 240.14d-100. There is no actual form for Schedule 14D-1 as filers must produce a customized

narrative document in compliance with the requirements in accordance with the filer's particular circumstances.

A. Justification

1. Circumstances and Need

Pursuant to Section 12(i) of the Exchange Act, the FDIC is vested with the powers, functions, and duties vested in the SEC, including rulemaking authority, to administer and enforce the provisions of Sections 10A(m), 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78j-1, 78l, 78m, 78n(a), 78n(c), 78n(d), 78n(f), and 78p), and Sections 302, 303, 304, 306, 401(b), 404, 406, and 407 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7241, 7242, 7243, 7244, 7261, 7262, 7264, and 7265) regarding state nonmember banks and state savings associations with one or more classes of securities subject to the registration provisions of Sections 12(b) or 12(g) of the Exchange Act.

Section 335.101(b) of the FDIC's regulations states that 12 CFR Part 335, as amended by the FDIC Board of Directors on October 21, 2014, "generally incorporates through cross reference the regulations of the SEC as these regulations are issued, revised, or updated from time to time under the aforementioned sections of the Exchange Act and the Sarbanes-Oxley Act. Section 335.111 of the FDIC's regulations further states that "[t]he Exchange Act regulations of the SEC, which are cross referenced under this part, require the filing of forms and schedules as applicable. Reference is made to SEC Exchange Act regulation 17 CFR part 249 regarding the availability of all applicable SEC Exchange Act forms. Required schedules are codified and are found within the context of the SEC's regulations. All forms and schedules shall be titled with the name of the FDIC in substitution for the name of the SEC."

2. Use of Information Collected

The FDIC reviews the information collected to ensure that it complies with federal law and makes public all information required to be filed under these rules. Current and potential investors, depositors, and the public use the information to make informed investment decisions about state nonmember banks and state savings associations with a class of equity securities registered with the FDIC under Section 12(b) or 12(g) of the Exchange Act.

3. Use of Technology to Reduce Burden

As required by the Sarbanes-Oxley Act and implemented by Section 335.801(b) of the FDIC's regulations, electronic filing of beneficial ownership reports on Forms 3, 4, and 5 is mandatory. Thus, the FDIC maintains an electronic system for filing beneficial ownership reports, which is accessed using the *FDICconnect* Business Center.

All other forms and schedules may also be filed electronically using *FDICconnect* or may be prepared and submitted in paper form to the FDIC.

4. Efforts to Identify Duplication

Generally, the requested information will not otherwise be available. The required disclosures are unique, and do not duplicate data reported for other purposes.

5. Minimizing the Burden on Small Institutions

This collection of information imposes upon (1) state nonmember banks that have more than \$10 million in total assets and 2,000 or more stockholders and (2) state savings associations that have more than \$10 million in total assets and (a) 2,000 or more persons or (b) 500 or more persons who are not accredited investors only the minimum burden necessary to fulfill statutory requirements under the Exchange Act and to serve investors, depositors, and the public. Congress sought to be sensitive to the needs of small entities by affording sufficient time in which to file the forms. The SEC considered the resources of small entities in formulating its rules and regulations, and has clarified and simplified the forms and instructions thereto to the extent practicable. The FDIC is also sensitive to the needs of small entities.

6. Consequences of Less Frequent Collection

The collection of information is the minimum necessary to comply with the Exchange Act. The disclosures required by the Exchange Act provide the public with material financial information about the securities of reporting companies, alert the public to ownership changes in and tender offers for those securities, and provide shareholders with information relevant to the solicitation of proxies. Less frequent collection would make the program unworkable and would not be in the public interest.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Persons Outside the FDIC

A first Federal Register notice seeking comment was published on June 29, 2016 (81 FR 42353). No comments were received.

9. Payment or Gift to Respondents

There are no payments or gifts to respondents.

10. Confidentiality

Except as provided in Section 335.701(c) of the FDIC's regulations, the forms and schedules filed with the FDIC pursuant to 12 CFR Part 335 are public documents. Section

335.701(c) describes the procedures for requesting confidential treatment for a form or schedule or a portion thereof.

11. Information of a Sensitive Nature

No information of a sensitive nature is collected.

12. Estimate of Annual Burden

	Estimated Number of Responses	Hours per Response	Frequency of Response	Number of Responses per Year	Estimated Burden
Form 3 - <i>Initial Statement of Beneficial Ownership</i>	58	1	On Occasion	1	58
Form 4 - <i>Statement of Changes in Beneficial Ownership</i>	297	0.5	On Occasion	4	594
Form 5 - <i>Annual Statement of Beneficial Ownership</i>	69	1	Annual	1	69
Form 8-A	2	3	On Occasion	2	12
Form 8-C	2	2	On Occasion	1	4
Form 8-K	21	2	On Occasion	4	168
Form 10	2	215	On Occasion	1	430
Form 10-C	1	1	On Occasion	1	1
Form 10-K	21	140	Annual	1	2,940
Form 10-Q	21	100	Quarterly	3	6,300
Form 12b-25	6	3	On Occasion	1	18
Form 15	2	1	On Occasion	1	2
Form 25	2	1	On Occasion	1	2
Schedule 13D	2	3	On Occasion	1	6
Schedule 13E-3	2	3	On Occasion	1	6
Schedule 13G	2	3	On Occasion	1	6
Schedule 14A	21	40	Annual	1	840
Schedule 14C	2	40	On Occasion	1	80
Schedule 14D-1 (Schedule TO)	2	5	On Occasion	1	10
<b>Totals</b>	535				11,546

13. Start-up, Capital, and Operating Costs

The FDIC estimates the cost of the estimated reporting burden to respondents (by wage rate categories) as follows:

Clerical (\$20/hour):	20% x 11,546 hours = 2,309.2 @ \$20 =	\$ 46,184
Managerial/Technical (\$40/hour):	30% x 11,546 hours = 3,463.8 @ \$40 =	\$ 138,552
Senior Management (\$80/hour)	50% x 11,546 hours = 5,773 @ \$80 =	\$ 461,840

Total: \$646,576

14. Annual Cost to Federal Government

Staff Compensation \$ 550,000

	<u>x .60</u>
	\$ 330,000
Overhead	<u>+ 30,000</u>
Total	\$ 360,000

An allocation factor of 60 percent has been used to estimate the percent of staff time devoted to all activities related to the Exchange Act forms and schedules filed with the FDIC pursuant to 12 CFR Part 335. The overall dollar estimate is based upon annual budget allocation for professional staff (2 employees) and support staff (1 employee) assigned to Exchange Act functions in the FDIC's Accounting and Securities Disclosure Section, which administers the applicable regulations, and estimated FDIC overhead associated with the maintenance of the electronic filing system used for the mandatory electronic filing of beneficial ownership reports and the voluntary electronic filing of the other Exchange Act forms and schedules and for the public disclosure of these forms and schedules on the FDIC's Web site. The FDIC professional staff reviews the information collected to ensure that it complies with federal securities laws and regulations.

15. Reason for Change in Burden

The change in burden is attributable in small part to a change in the agency's estimate of the number of respondents for forms 6800-03, 6800-04 and 6800-05, but primarily due to the addition of the following reports to the information collection with their corresponding estimated annual burden hours:

Report Name	Change in No. of Responses	Estimated Annual Burden Hours
6800-03; -04 and -05	3	4
Form 8-A	2	12
Form 8-C	2	4
Form 8-K	21	168
Form 10	2	430
Form 10-C	1	1
Form10-K	21	2,940
Form 10-Q	121	6,300
Form 12b-25	6	18
Form 15	2	2
Form 25	2	2
Schedule 13D	2	6
Schedule 13E-3	2	6
Schedule 13G	2	6
Schedule 14A	21	840
Schedule 14C	2	80
Schedule 14D-1 (Schedule TO)	2	10
<b>TOTAL</b>		<b>10,829 Hours</b>



16. Publication

Forms 3, 4, and 5 filed by directors, officers, and principal shareholders are publicly available on the FDIC's Web site at <http://www2.fdic.gov/efr/>. The other forms and schedules, if filed electronically, are publicly available at the same Web site. The other forms and schedules, if filed in paper form, are available for public inspection at the FDIC, Division of Risk Management Supervision, Accounting and Securities Disclosure Section, 550 17th Street, NW., Washington, DC 20429.

17. Exception to Expiration Date Display

None needed.

18. Exceptions to Certification

None.