

# **Other Equity Investments—National Banks Pass-Through Investments—Federal Savings Associations Application**

## **General Information and Instructions**

### **Preparation and Use**

This application is used to request approval by a national bank to make various types of equity investments under 12 CFR 5.36(f) and by a federal savings association to make pass-through investments under 12 CFR 5.58(f), when the investments do not qualify for the notice procedures set forth in 5.36(e) or 5.38(e). 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 application for other equity or pass-through investments. The OCC must consider applicable regulatory requirements when acting on this application. For additional information regarding 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 application for other equity investments or pass-through investments 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 investment 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 investment 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.

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Pass-Through Investments—Federal Savings Associations Application**

**Applicant**

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Name Charter no.

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Current street address

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City County State Zip code

**Parent Company Identifying Information** (if applicable)

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Name

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Street

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City State Zip code

**Contact Person**

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Name Title

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Employer

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Street

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City State Zip code

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Telephone no. Fax no. E-mail address

**1. Overview**

Provide the following information:

- Name of investment enterprise
- Street
- City, state, and zip code
- Proposed date of investment: (mm/dd/yyyy)
- Investment amount: \$
- Percent of total capital: %

- Pro forma aggregate book value of all equity or pass-through investments to total capital:  
%
- Investment made  
 directly.  
 through an operating subsidiary.

2. Will the bank be well capitalized and well managed at the time of its investment?

Yes  No

3. Explain in full detail the structure of the investment and the activity or activities to be performed.

4. Explain why the activity is a permissible activity for a bank and why the bank should be permitted to hold an other equity investment in an enterprise engaged in that activity.

5. Describe 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.

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

7. Is the activity or activities to be performed contained in 12 CFR 5.34(e)(5)(v), 5.38(e)(5)(v), or in published OCC precedent or former, non-rescinded Office of Thrift Supervision opinions approving an other equity investment or pass-through investment by a national bank or federal savings association, or its respective operating subsidiary?

Yes  No

If relying on published precedent or opinion, please include a copy of the document.

8. Describe how (1) the bank can prevent the enterprise from engaging in activities not contained in 12 CFR 5.34(e)(5)(v) for national banks and in 12 CFR 5.38(e)(5)(v) for federal savings associations or not contained in published OCC precedent (or non-rescinded OTS opinions) approving an other equity investment or pass-through investment by a bank or its operating subsidiary, or how the bank has the ability to withdraw its investment; and (2) the investment is convenient and useful to the bank in carrying out its business and not a mere passive investment unrelated to the bank's banking business.

9. 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 or will hold an insurance license, indicate the lines of business, the state where the subsidiary holds or will hold 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:

## OCC CERTIFICATION

In connection with the investment, the bank certifies that:

- Its loss exposure is limited as a legal matter and it does not have open-ended liability for the obligations of the enterprise.
- The enterprise in which the bank is investing agrees to be subject to OCC supervision and examination and subject to the limitations and requirements of 12 USC 1820a and 1831v.
- The proposed activity will be conducted according to the OCC policies contained in guidance issued for this activity.

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.

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President or other authorized officer

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Typed name

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Title

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Employer