

**Supporting Statement for the
Transfer Agent Registration and Amendment Form and
Transfer Agent Deregistration
(Form TA-1 and Form TA-W; OMB No. 7100-0099)**

Summary

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), has extended for three years, with revision, the Transfer Agent Registration and Amendment Form and Transfer Agent Deregistration (Form TA-1 and Form TA-W; OMB No. 7100-0099). The Securities Exchange Act of 1934 (the Act) requires any person acting as a transfer agent¹ to register as such with the appropriate regulatory agency (ARA). The Board is the ARA for state member banks (SMBs) and their subsidiaries, bank holding companies (BHCs), savings and loan holding companies (SLHCs), and certain other subsidiaries of BHCs.² Transfer agents for which the Board is the ARA must register with the Board using Form TA-1. Additionally, registered transfer agents for which the Board is their ARA may deregister by submitting Form TA-W.

The Board revised Form TA-W by creating its own Form TA-W for respondents to deregister, rather than having respondents use a Securities and Exchange Commission (SEC) form or submit a separate letter.

The current estimated total annual burden for the Form TA-1 and Form TA-W is 2 hours, and would remain unchanged. The form and instructions are available on the Federal Financial Institutions Examination Council's public website at https://www.ffiec.gov/ffiec_report_forms.htm.

Background and Justification

Pursuant to section 17A(c) of the Act, a Board-regulated transfer agent may not make use of the mails or any means or instrumentality of interstate commerce to perform the function of a transfer agent with respect to certain securities unless the transfer agent is registered with the Board.³ In general, an entity performing transfer agent functions for a security is required to register if the security is registered on a national securities exchange or if the issuer of the security has total assets exceeding \$10 million and a class of equity security held of record by 2,000 persons or, for an issuer that is not a bank, BHC, or SLHC, by 500 persons who are not accredited investors (a qualifying security).⁴ Section 208.31(a) of the Board's Regulation H - Membership of State Banking Institutions in the Federal Reserve System (12 CFR Part 208) and section 225.4(d) of the Board's Regulation Y - Bank Holding Companies and Change in Bank Control (12 CFR Part 225) implement these provisions of the Act.

¹ Transfer agents are persons that provide securities transfer, registration, monitoring, and other specified services on behalf of securities issuers. See 15 U.S.C. § 78c(25) (defining "transfer agent").

² Specifically, the Board is the ARA for any subsidiary or a bank holding company that is a bank within the meaning of the Act and that is not required to register with the Office of the Comptroller of the Currency (OCC) or Federal Deposit Insurance Corporation (FDIC).

³ 15 U.S.C. § 78q-1(c).

⁴ See 15 U.S.C. § 78l(g).

A Board-regulated transfer agent must use Form TA-1 to register with the Board. The Board uses the data collected on Form TA-1 to determine whether an application for registration should be denied, accelerated, or postponed. The collected data are not available from any other source.

Description of Information Collection

Board-regulated registrants must submit an original copy of Form TA-1 and attachments to the Board electronically in a Portable Document Format (PDF) to the designated email address: MSD-GSD-Registration@frb.gov. A Board-regulated transfer agent should contact its Reserve Bank if it believes it may not be able to submit the form electronically. In addition to corporate name, contact information, and location of transfer agent activities, registrants must report their Financial Industry Number Standard number and detail their transfer agent activities. The Board forwards copies of completed registration forms to the SEC and to the appropriate Federal Reserve Bank, along with any letter sent to a registrant notifying the registrant of its registration status.

Each registrant must file an amended Form TA-1 if the information previously reported by the registrant in its Form TA-1 becomes inaccurate, incomplete, or misleading within sixty days following the date on which the information becomes inaccurate, incomplete, or misleading. A registrant filing an amended Form TA-1 must complete only certain items, as set forth in the Form TA-1 instructions.

Transfer agents may deregister with the Board by submitting a copy of the Form TA-W to the Board in a Portable Document Format (PDF) to the designated email address: MSD-GSD-Registration@frb.gov. If the Board finds that a registrant has ceased doing business as a transfer agent, the Board may initiate deregistration of the transfer agent.

Respondent Panel

The Form TA-1 and Form TA-W panel comprises current and former transfer agents that are an SMB or a subsidiary thereof, a BHC, an SLHC, or a subsidiary of a BHC that is a bank within the meaning of the Act and that is not required to register with the OCC or FDIC.

Revisions to the Form TA-W

The Board will utilize its own Form TA-W for respondents to deregister rather than asking respondents to use an SEC form or submit a separate letter, as has been done in the past. This would allow the Board to have its OMB control number on the form and make any changes in the future if necessary. The draft Form TA-W asks the same type of information that is on the SEC deregistration form. The revisions will be effective 30 days after the final notice publishes in the *Federal Register*.

Time Schedule for Information Collection

This information collection is event-generated. Pursuant to the Act, registrants use

Form TA-1 to register as a transfer agent prior to performing transfer agent functions with respect to a qualifying security and to amend registration information as necessary. Registration becomes effective 30 days after receipt of an acceptable Form TA-1 unless the Board takes action to accelerate, postpone, or deny registration. Registered transfer agents must file amendments within 60 days of the date on which the information reported in previous filings has become inaccurate, incomplete, or misleading. A registrant that ceases to be a transfer agent may file a deregistration with the Board at any time.

Public Availability of Data

The registrations are public filings and are not considered confidential. The SEC maintains registration data.

Legal Status

The Form TA-1 and Form TA-W are authorized under section 17A(c) of the Act (15 U.S.C. § 78q-1(c)).⁵ The Form TA-1 and Form TA-W are also authorized under sections 2, 17(a)(3), and 23(a) of the Act (15 U.S.C. §§ 78b, 78q(a)(3), and 78w(a))⁶ and under the Board’s general authority to require reports from SMBs (12 U.S.C. §§ 248(a) and 324), BHCs (12 U.S.C. § 1844(c)), and SLHCs (12 U.S.C. §§ 1467a(b) and (g)). The Form TA-1 and Form TA-W are mandatory for transfer agents for which the Board is the ARA. Information collected on Form TA-1 and Form TA-W is available to the public upon request and is not considered confidential.

Consultation Outside the Agency

The Board, OCC, FDIC, and SEC jointly developed the reporting form and instructions, and the Board has consulted with the OCC and FDIC to determine whether revisions to the form are necessary.

Public Comments

On July 6, 2022, the Board published an initial notice in the *Federal Register* (87 FR 40236) requesting public comment for 60 days on the extension, with revision, of the Form TA-1 and Form TA-W. The comment period for this notice expired on September 6, 2022. The Board did not receive any comments. The Board adopted the extension, with revision, of the Form TA-1 and Form TA-W as originally proposed. On November 23, 2022, the Board published a final notice in the *Federal Register* (87 FR 71639).

Estimate of Respondent Burden

As shown in the table below, the estimated total annual burden for the Form TA-1 and

⁵ Requiring all transfer agents for securities registered under section 12 of the Act to register with the ARA by filing “an application for registration in such form and containing such information” as the ARA may prescribe.

⁶ Authorizing the Board to promulgate regulations and establish recordkeeping and reporting requirements with respect to Board-registered Transfer Agents.

Form TA-W is 2 hours, and would not change with the revisions. Because the forms are event-generated, it is not possible to predict exactly how many forms will be filed in a given year. The estimated number of respondents is based on the average number of responses received during the past three years. These reporting requirements represent less than 1 percent of the Board’s total paperwork burden.

Form TA-1 and Form TA-W	<i>Estimated number of respondents⁷</i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
Registrations (Form TA-1)	1	1	1.25	1
Amendments (Form TA-1)	1	1	0.16	0
Deregistrations (Form TA-W)	1	1	0.5	<u>1</u>
<i>Total</i>				<u>2</u>

The estimated total annual cost to the public for the Form TA-1 and Form TA-W is \$121.⁸

Sensitive Questions

This collection of information contains no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System is negligible.

⁷ Of these respondents, one is considered a small entity as defined by the Small Business Administration (i.e., entities with less than \$750 million in total assets), <https://www.sba.gov/document/support-table-size-standards>. There are no special accommodations given to mitigate the burden on small institutions.

⁸ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$21, 45% Financial Managers at \$74, 15% Lawyers at \$71, and 10% Chief Executives at \$102). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2021*, published March 31, 2022, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.