

SUPPORTING STATEMENT
COVERED FINANCIAL COMPANY ASSET PURCHASER ELIGIBILITY
(OMB No. 3064-0194)

INTRODUCTION

The Federal Deposit Insurance Corporation (FDIC) is requesting a three-year renewal, with revisions, of the information collection for Covered Financial Company Asset Purchaser Eligibility (OMB No. 3064-0194). The current clearance for the collection expires on April 30, 2027. The FDIC is updating Form 7300/10 in line with the FDIC rule titled “Adjusting and Indexing Certain Regulatory Thresholds.” The rule updates the definition of “Substantial Loss” in part 340 from \$50,000 to \$100,000 to reflect inflation since the threshold was adopted.

The Covered Financial Company Asset Purchaser Eligibility information collection implements the statutory requirement that assets held by the FDIC in the course of liquidating any covered financial company not be sold to persons who contributed to the demise of a covered financial company in specified ways.

A. JUSTIFICATION

1. Circumstances and Need

The FDIC is statutorily required to promulgate a regulation prohibiting the sale of assets of a covered financial company to certain individuals or entities that profited or engaged in wrongdoing at the expense of those failed institutions, or seriously mismanaged those failed institutions. The statute specifies classes of persons prohibited from purchasing assets of covered financial companies from the FDIC. (Section 210(r) of the Dodd-Frank Act, 12 U.S.C. 5390(r)). The statutory requirement was implemented by a final rule, “Restrictions on sale of assets of a covered financial company by the Federal Deposit Insurance Corporation,” 12 CFR Part 380. The final rule requires prospective purchasers to complete and submit a Purchaser Eligibility Certification (PEC) to the FDIC. The PEC is a self-certification by a prospective purchaser that it does not fall into any of the categories of individuals or entities that are prohibited by statute or regulation from purchasing the assets of covered financial companies. The PEC will be required in connection with the sale of assets by the FDIC as receiver for a covered financial company.

Under 12 CFR 380.13, the PEC requires a prospective purchaser to certify that they have not caused a substantial loss to a covered financial company or has demonstrated a pattern or practice causing a substantial loss to one or more covered financial companies. In the rulemaking titled “Adjusting

and Indexing Certain Regulatory Thresholds”¹ the FDIC updated its definition of substantial loss to mean a loss of \$100,000, opposed to \$50,000.

2. Use of Information Collected

The FDIC uses the information collected to ensure compliance with the statutory requirements before each sale of assets.

3. Use of Technology to Reduce Burden

This form may be submitted via hard copy or electronic media.

4. Efforts to Identify Duplication

There is no duplication. The information is not available elsewhere.

5. Minimizing the Burden on Small Banks

There is no significant economic impact on a substantial number of small entities because a covered financial company is, in general, likely to be a large entity with more than \$50 billion in assets. In particular, a covered financial company is likely to be sold in major components, such as subsidiaries or business lines. It is therefore unlikely that small entities will be prospective purchasers of covered financial company assets in an orderly liquidation under Title II of the Dodd-Frank Act.

6. Consequences of Less Frequent Collection

As a result of the statute’s prohibition, each purchase of assets of a covered financial company from the FDIC requires a determination that the prospective purchaser is not prohibited from purchasing.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Persons Outside the FDIC

The FDIC published the NPR in the *Federal Register* (90 FR 35449, July 28, 2025). The comment period on the NPR closed on September 26, 2025.

The FDIC received one comment acknowledged the update to the thresholds in part 380 as part of a broader comment on the general

¹ 90 FR 55789, 55811 (December 4, 2025)

deregulatory effects of the rule. The FDIC did not receive any comments on the associated information collections or burden.

9. Payment or Gift to Respondents

None.

10. Confidentiality

Assets held by the FDIC in the course of liquidating any covered financial company must not be sold to persons who contributed to the demise of a covered financial company in specified ways (e.g., individuals who profited or engaged in wrongdoing at the expense of the failed institution, or seriously mismanaged the failed institution). 12 CFR Part 380 requires prospective purchasers to complete and submit a PEC to the FDIC. The PEC is a self-certification by a prospective purchaser that it does not fall into any of the categories of individuals or entities that are prohibited by statute or regulation from purchasing the assets of covered financial companies. The PEC will be required in connection with the sale of assets by the FDIC, as receiver for a CFC, or the sale of assets by a BFC which requires the approval of the FDIC, as receiver for the predecessor CFC and as the sole shareholder of the BFC. The PEC indicates that information may be furnished to third parties as authorized by law and in accordance with any of the other routine uses described in the FDIC Potential Bidders List (FDIC 30–64–0019) System of Records.

11. Information of a Sensitive Nature

The application requires sensitive information pertaining to a prospective purchaser. This information includes Personally Identifiable Information (“PII”)², including name, address, telephone number and social security number. This information is necessary to assist the FDIC in identifying qualified potential purchasers and to solicit bids for assets.

The Systems of Records Notice associated with this collection (FDIC 30–64–0019 Potential Bidders List) may be viewed at the following link: <https://www.fdic.gov/policies/privacy/sorns.html> applicable Privacy Impact Assessment is also available at <https://www.fdic.gov/about/privacy/assessments.html>.

² The term “Personally Identifiable Information” refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.

12. Estimate of Hour Burden and Annual Costs

Number of respondents: 66

Time per response: 2 hours and 30 minutes.

Total annual burden: 165 hours.

Estimate of annualized cost: 66 responses x 2.5 hour x \$80/hour = \$400.

2025 Summary of Annual Burden and Internal Cost (3064-0194)						
	Type of Burden	Estimated Number of Respondents	Estimated Number of Responses	Estimated Time per Response	Frequency of Response	Total Annual Estimated Burden
Covered Financial Company Asset Sales Purchaser Eligibility Certification	Reporting	66	1	2.5 hours	Annual	165 hours
TOTAL HOURLY BURDEN						165
TOTAL INTERNAL COST*	\$104.61	/HR				\$17,261

This ICR covers persons that bid on the assets of a failed institution that is liquidated under the orderly liquidation authority that Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Title II) grants to the FDIC. Another ICR covers persons or entities that bid on the assets of other failed institutions.³ To date, the FDIC has never exercised its Title II resolution authority. Thus, for purposes of this estimate FDIC assumes that one institution is subject to a Title II resolution annually as a placeholder to account for the possibility of a Title II resolution occurring over the three-year renewal cycle for this ICR. In the event of a Title II resolution, FDIC estimates two types of sales: sales of Covered Financial Company (“CFC”) assets retained by the receivership (Asset Sales) and sales of subsidiaries, business lines and other objects of sale by a Bridge Financial Company (BFC) (Entity Sales). For the Asset Sales, the FDIC estimates that two distinct asset sales for the CFC will occur post-failure and that both of these sales will receive six bids. The FDIC estimates that three distinct Entity Sales for the BFC will occur and that each of these sales will receive 18 bids. Although some bidders may submit bids in multiple sales, because the information in the Purchaser Eligibility Certification is identical for the bidder in each case, FDIC assumes that each bid represents a unique respondent. Therefore, FDIC’s estimate for annual number of respondents is 66.⁴

Hourly Burden Cost Estimate

To estimate the average hourly compliance cost, FDIC uses the 75th percentile hourly wages reported by the Bureau of Labor Statistics (BLS) National Industry-Specific Occupational Employment and Wage Estimates (OEWS) for the relevant

³ See OMB No. 3064-0135 at <https://www.reginfo.gov/public/Forward?SearchTarget=PRA&textfield=3064-0135&Image61.x=0&Image61.y=0>.

⁴ 2*6+3*18 = 66.

occupations in the Depository Credit Intermediation sector. However, the latest OEWS wage data are as of May 2022 and do not include non-wage compensation. To adjust these wages for use in the memo, FDCI multiplies the OEWS hourly wages by approximately 1.51 to account for non-wage compensation, using the BLS Employer Cost of Employee Compensation (ECEC) data as of March 2022 (the latest published release prior to the OEWS wage data). It then multiplies the resulting compensation rates by approximately 1.05 to account for the change in the seasonally adjusted Employment Cost Index for the Credit Intermediation and Related Activities sector (NAICS Code 522) between March 2022 and March 2023. The estimated weighted average hourly compensation rate increased by \$22.99 per hour to \$104.61 per hour, relative to the 2021 submission, due to changes to the labor distribution relative to the 2021 submission. The percentage share for financial analysts declined by 10 percent to a 70 percent share and the percentage share for lawyers increased by 10 percent to a 10 percent share. Net growth in estimated compensation rates for the relevant occupations also contributed to the increase in the weighted average hourly compliance cost.

Table 2. Summary of Hourly Burden Cost Estimate (OMB No. 3064-0194)								
Information Collection (Obligation to Respond)	Hourly Weight (%)	Percentage Shares of Hours Spent by and Hourly Compensation Rates for each Occupation Group (by Collection)						Estimated Hourly Compensation Rate
		Exec. & Mgr. (\$132.34)	Lawyer (\$170.71)	Compl. Ofc. (\$65.60)	IT (\$104.27)	Fin. Anlst. (\$96.78)	Clerical (\$37.28)	
Covered Financial Company Asset Sales Purchaser Eligibility Certification	100.00	10	10	10	0	70	0	\$104.61
Weighted Average Hourly Compensation Rate:								\$104.61
<p>Source: Bureau of Labor Statistics: 'National Industry-Specific Occupational Employment and Wage Estimates: Industry: Credit Intermediation and Related Activities (5221 And 5223 only)' (May 2022), Employer Cost of Employee Compensation (March 2022), and Employment Cost Index (March 2022 and March 2023). Standard Occupational Classification (SOC) Codes: Exec. And Mgr = 11-0000 Management Occupations; Lawyer = 23-0000 Legal Occupations; Compl. Ofc. = 13-1040 Compliance Officers; IT = 15-0000 Computer and Mathematical Occupations; Fin. Anlst. = 13-2051 Financial and Investment Analysts; Clerical = 43-0000 Office and Administrative Support Occupations.</p> <p>Note: The estimated hourly compensation rate for a given collection is the average of the hourly compensation rates for the occupations used to comply with that collection, weighted by the share of hours spent by each occupation. The weighted average hourly compensation rate is the average of the estimated hourly compensation rates for all information collections, weighted by the share of hourly burden for each collection. These hourly weights, calculated as the estimated number of annual burden hours in a given collection over the total estimated number of annual burden hours across all collections, are shown in the "Hourly Weight"</p>								

column of this table.

Total Estimated Cost Burden

FDIC estimates the total annual compliance cost for this ICR by multiplying the total annual estimated burden hours reported in Table 1 by the weighted average hourly compliance cost estimate reported in Table 2. The total annual compliance cost is estimated as: 165 hours/ year * \$104.61 / hour = \$17,261. This estimated cost burden constitutes an increase of \$16,853 from the estimated annual compliance cost reported in the 2021 submission. The increase in the total annual estimated cost is due to increases in both the total estimated annual burden hours and the estimated weighted average hourly compliance cost.

13. Capital, Start-Up and Maintenance Costs

None.

14. Estimated Annual Cost to the Federal Government

None.

15. Reason for Change in Burden

There is no change in the burden.

16. Publication.

Not applicable.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Not applicable.