

Federal agency will not be required to obtain a new license for any additional limited branches or agencies, or to convert a limited branch into an agency or an agency into a limited branch.

(b) * * *

(5) With respect to an application to establish an interstate branch or agency under 12 CFR 28.11(f)(1), whether the foreign bank is subject to comprehensive supervision or regulation on a consolidated basis by its home country supervisor. The OCC, in its discretion, also may consider whether the foreign bank is subject to comprehensive supervision or regulation on a consolidated basis by its home country supervisor in the case of any other application to establish a branch or agency.

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(e) * * *

(1) * * *

(2) *Written notice for additional intrastate branches or agencies.* (i) In cases where a foreign bank seeks to establish intrastate an additional Federal branch or agency, the foreign bank shall provide written notice 45 days in advance of the establishment of the intrastate branch or agency.

(ii) The OCC may waive the 45-day period if immediate action is required by the circumstances of the intrastate branching. The OCC also may suspend the notice period or require an application if the notification raises significant policy or supervisory concerns.

(3) *Expedited approval procedures for interstate branches or agencies.* An application submitted by an eligible foreign bank to establish and operate a *de novo* Federal branch or agency in any state outside the home state of the foreign bank is deemed conditionally approved by the OCC as of the 45th day after the OCC receives the filing, unless the OCC notifies the bank prior to that date that the filing is not eligible for expedited review. In the event that the FRB has approved the application prior to the expiration of the period, then the OCC's approval shall be deemed a final approval.

(4) *Conversions.* An application submitted by an eligible foreign bank under 12 CFR 28.11(f)(4) or (f)(6) is deemed approved by the OCC as of the 30th day after the OCC receives the filing, unless the OCC notifies the bank prior to that date that the filing is not eligible for expedited review.

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(f) *Eligible foreign bank.* For purposes of this section, a foreign bank is an eligible foreign bank if each Federal branch or agency of the foreign bank or,

if the foreign bank has no Federal branches or agencies and is engaging in a conversion under 12 CFR 28.11(f)(4), each state branch or agency:

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(h) *After-the-fact notice for eligible foreign banks:* Unless otherwise provided by the OCC, a foreign bank proposing to establish a Federal branch or agency through the acquisition of, or merger or consolidation with, a foreign bank that has an existing bank subsidiary, branch, or agency, may proceed with the transaction and provide after-the-fact notice to the OCC within 14 days of the transaction if:

(1) the resulting bank is an "eligible foreign bank" within the meaning of § 28.12(f); and

(2) no Federal branch established by the transaction is insured.

(i) *Contraction of operations.* A foreign bank shall provide written notice to the OCC within 10 days after converting a Federal branch into a limited Federal branch or Federal agency.

(j) *Procedures for approval.* A foreign bank shall file an application for approval pursuant to this section in accordance with 12 CFR part 5 and the Manual. The OCC reserves the right to adopt materially different procedures for a particular filing, or class of filings, pursuant to 12 CFR 5.2(b).

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(k) * * *

(l) *Other applications accepted.* As provided in § 5.4(c), the OCC may accept an application or other filing submitted to another Federal agency that covers the proposed activity or transaction and contains substantially the same information as required by the OCC.

10. In § 28.15:

a. Paragraph (a)(1)(ii) is revised;

b. Paragraph (a)(1)(iv) is redesignated as (a)(1)(v);

c. New paragraph (a)(1)(iv) is added;

d. Newly redesignated (a)(1)(v) is revised;

e. New paragraph (a)(3) is added;

f. Paragraph (e) is redesignated as (f);

g. New paragraph (e) is added to read as follows:

§ 28.15 Capital equivalency deposits.

(a) * * *

(1) * * *

(i) * * *

(ii) United States dollar deposits payable in the United States or payable in any other G-10 country;

(iii) * * *

(iv) Repurchase agreements; or

(v) Other similar assets permitted by the OCC to qualify for the CED.

(2) * * *

(3) *Exceptions.* In determining the amount of the CED, the OCC excludes liabilities of an international banking facility (IBF) to third parties and of a branch of a foreign bank to an IBF. The OCC may exclude liabilities from repurchase agreements on a case-by-case basis.

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(e) *Deposit and Consolidation of CED accounts.* A foreign bank with a Federal branch or agency shall deposit its CED into an account in a depository bank that is located, *i.e.*, has its main office or a branch, in the state in which the Federal branch or agency is licensed or in the state that is the parent bank's home state. A foreign bank with Federal branches or agencies in more than one state may consolidate some or all of its CEDs into one such account.

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11. In § 28.16, paragraph (b)(8) is revised to read as follows:

§ 28.16 Deposit-taking by an uninsured Federal branch.

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(b) * * *

(8) Persons who may deposit funds with an Edge corporation as provided in the FRB's Regulation K, 12 CFR 211.6, including persons engaged in certain international business activities; and

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12. In § 28.18, a new paragraph (c)(3) is added to read as follows:

§ 28.18 Recordkeeping and reporting.

* * * * *

(c) * * *

(3) A foreign bank with a Federal branch or agency in more than one state that combines its CEDs into one account in accordance with 12 CFR 28.15(e) shall designate a participating Federal branch or agency to maintain consolidated asset, liability, and capital equivalency account information for all Federal branches and agencies covered by the consolidated deposit.

13. In § 28.20, the first sentence of paragraph (a)(2) is revised to read as follows:

§ 28.20 Maintenance of assets.

(a) * * *

(1) * * *

(2) If the OCC requires asset maintenance, the amount of assets held by a foreign bank shall be prescribed by the OCC after consideration of the aggregate amount of liabilities of the Federal branch or agency, payable at or through the Federal branch or agency.

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