

(ii) An alphabetical list of each member of the affiliate group, an indication of which affiliates the investment bank holding company regards as material to the holding company, and the financial regulator(s), if any, with which the affiliate is registered;

(iii) An organizational chart that identifies the investment bank holding company, each broker or dealer owned or controlled by the investment bank holding company, and each material affiliate;

(iv) Consolidated and consolidating financial statements of the affiliate group as of the end of the quarter preceding the filing of the notice of intention;

(v) The following computations for the affiliate group:

(A) Allowable capital and allowances for market risk, credit risk, and operational risk; or

(B) A computation made pursuant to § 240.17i-7(e);

(vi) A list of the positions that the affiliate group holds in any proprietary accounts and a brief description of the method that the investment bank holding company will use to calculate allowances for market and credit risk on those positions pursuant to § 240.17i-7(b) and (c);

(vii) A description of each mathematical model that the investment bank holding company intends to use to price positions and to calculate allowances for market and credit risk (as specified in § 240.17i-7(b) and (c)), including:

(A) A statement of whether the model was developed by the investment bank holding company, one of its affiliates or subsidiaries, or another person;

(B) If the mathematical model incorporates correlations across risk factors, a description of the process used to measure these correlations;

(C) A description of the tests performed on the mathematical model and the results of those tests, including a description of back tests and alternative tests to estimate risk, such as stress tests and scenario tests, and procedures instituted to respond to test results (including a schedule of multiplication factors to apply to the credit equivalent amount based on backtesting results);

(D) A description of how the mathematical model satisfies the qualitative and quantitative requirements listed in § 240.15c3-1e(e);

(E) A description of the internal controls relating to the creation, use and maintenance of the mathematical model, including a description of who may input data into the model, who has

access to any or all of the model's outputs, and what outputs are accessible to whom; and

(F) A statement that the model is used to analyze and report risk to senior management;

(viii) A description of any positions for which the investment bank holding company proposes to use an alternative method for computing an allowance for market risk and a description of how that allowance would be determined;

(ix) A description of how the investment bank holding company proposes to calculate current exposure (as defined in § 240.17i-7(c)(1)(i)(E));

(x) A description of how the investment bank holding company proposes to determine or calculate credit risk weights and internal credit ratings;

(xi) A description of the method the investment bank holding company proposes to use to calculate its allowance for operational risk pursuant to § 240.17i-7(e);

(xii) A comprehensive description of the internal risk management control system of the investment bank holding company established to manage the risks of the affiliate group, including market, credit, liquidity and funding, legal and compliance, and operational risks, and how that system satisfies the requirements set forth in § 240.17i-4;

(xiii) Sample risk reports provided to the persons responsible for managing the risks of the affiliate group that the investment bank holding company proposes to provide to the Commission pursuant to § 240.17i-6(a)(1)(v);

(xiv) An undertaking that provides: (A) If the disclosure of any information with regard to §§ 240.17i-1 through 240.17i-8 would be prohibited by law or otherwise, the supervised investment bank holding company will cooperate with the Commission as needed, including by describing any secrecy laws or other impediments that could restrict the ability of the supervised investment bank holding company or any material affiliate from providing information on its operations or activities and by discussing the manner in which the supervised investment bank holding company proposes to provide the Commission with adequate assurances of access to information; and

(B) For any non-U.S. affiliate of the supervised investment bank holding company, the supervised investment bank holding company will obtain consent to the jurisdiction of the Commission and an agreement to maintain a U.S. registered agent; and

(xv) Any other information and documents relating to the investment

bank holding company's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions and relationships among members of the affiliate group that the Commission may request to complete its review of the notice of intention.

(c) *Amendments to the notice of intention.* (1) *Prior to Commission determination.* If any of the information or documentation filed with the Commission as part of the notice of intention to become a supervised investment bank holding company described in paragraph (b) of this section is found to be or becomes inaccurate prior to the Commission determination, the investment bank holding company shall promptly notify the Commission and provide the Commission with a description of the circumstances in which the information or documentation was found to be or has become inaccurate along with updated, accurate information and documents.

(2) *Subsequent to Commission determination.* If, subsequent to the Commission determination of a notice of intention to become a supervised investment bank holding company, the supervised investment bank holding company materially changes a mathematical model or other method used to compute allowable capital or allowance for market, credit, or operational risk, or its internal risk management control systems as described in its notice of intention (and as modified from time to time), prior to making the changes the supervised investment bank holding company shall file an amended notice of intention describing the changes.

(d) *Process for review of notice of intention.* (1) *When filed.* A notice of intention to be supervised by the Commission as a supervised investment bank holding company shall not be complete until the investment bank holding company has filed with the Commission all the documentation and information specified in this section. Any documentation and information submitted, and any amendments thereto, shall be considered filed when received at the Office of the Secretary at the Commission's principal office in Washington DC. All notices, amendments thereto, and other documentation and information filed pursuant to this section shall be accorded confidential treatment.

(2) *Commission determination.* (i) An investment bank holding company shall become a supervised investment bank holding company pursuant to section 17(i) of the Act (15 U.S.C. 78q(i)) 45