

calendar days after the Commission receives a completed notice of intention to register as a supervised investment bank holding company pursuant to paragraph (a) of this section, unless the Commission issues an order determining either that:

(A) The Commission will begin to supervise the investment bank holding company prior to 45 calendar days after the Commission receives the completed notice of intention; or

(B) The Commission will not supervise the investment bank holding company because supervision of the investment bank holding company as a supervised investment bank holding company is not necessary or appropriate in furtherance of the purposes of section 17 of the Act (15 U.S.C. 78q). The Commission will not consider such supervision necessary or appropriate unless the investment bank holding company demonstrates that it owns or controls a broker or dealer that has a substantial presence in the securities business, which may be demonstrated by a showing that the broker or dealer maintains tentative net capital of \$100 million or more.

(ii) The Commission will, upon the filing of an amendment to the notice of intention submitted by a supervised investment bank holding company pursuant to paragraph (c) of this section, determine whether continued supervision of the investment bank holding company is necessary or appropriate in furtherance of the purposes of section 17 of the Act (15 U.S.C. 78q) after reviewing the amended notice of intention to determine whether the supervised investment bank holding company and its subsidiary brokers or dealers are in compliance with the requirements of §§ 240.17i-1, 240.17i-2, 240.17i-3, 240.17i-4, 240.17i-5, 240.17i-6, 240.17i-7, and 240.17i-8 and other applicable rules promulgated under section 17 of the Act (15 U.S.C. 78q).

§ 240.17i-3. Withdrawal from supervision by the Commission as a supervised investment bank holding company.

(a) A supervised investment bank holding company may withdraw from supervision by the Commission as a supervised investment bank holding company by filing a notice of withdrawal with the Commission. The notice of withdrawal shall include a statement that the supervised investment bank holding company is in compliance with § 240.17i-2(c) regarding amendments to its notice of intention to be supervised by the Commission as a supervised investment bank holding company.

(b) A notice of withdrawal from supervision as a supervised investment bank holding company shall become effective one year after it is filed with the Commission, or within such shorter or longer period as the Commission determines to be necessary or appropriate to ensure effective supervision of the material risks to the supervised investment bank holding company and to any associated person of the supervised investment bank holding company that is a broker or dealer, or to prevent evasion of the purposes of section 17 of the Act (15 U.S.C. 78q).

(c) Notwithstanding paragraphs (a) and (b) of this section, the Commission, by order, may discontinue supervision of any supervised investment bank holding company if the Commission finds that:

(1) The supervised investment bank holding company is no longer in existence;

(2) The supervised investment bank holding company has ceased to be an investment bank holding company; or

(3) Continued supervision by the Commission of the supervised investment bank holding company is not necessary or appropriate in furtherance of the purposes of section 17 of the Act (15 U.S.C. 78q).

§ 240.17i-4. Internal risk management control system requirements for supervised investment bank holding companies.

(a) A supervised investment bank holding company shall comply with § 240.15c3-4 as though it were a broker or dealer.

(b) As part of its internal risk management control system, a supervised investment bank holding company shall establish, document, and maintain procedures for the detection and prevention of money laundering and terrorist financing.

§ 240.17i-5. Record creation, maintenance, and access requirements for supervised investment bank holding companies.

(a) A supervised investment bank holding company shall make and keep current the following records:

(1) A record reflecting the results of stress tests, conducted at least once each quarter, of the affiliate group's funding and liquidity with respect to the following events:

(i) A credit rating downgrade of the supervised investment bank holding company;

(ii) An inability of the supervised investment bank holding company to access capital markets for short-term funding;

(iii) An inability of the supervised investment bank holding company to

move liquid assets across international borders when the events described in paragraphs (a)(1)(i) or (ii) of this section occur; or

(iv) An inability of the supervised investment bank holding company to access credit or assets held at a particular institution when the events described in paragraphs (a)(1)(i) or (ii) of this section occur;

(2) The supervised investment bank holding company's contingency plans to respond to the events outlined in paragraphs (a)(1)(i) through (iv) of this section; and

(3) A record of the basis for the determination of the credit risk weight for each counterparty.

(b) Except as provided in paragraphs (c) of this section, the supervised investment bank holding company shall preserve for a period of not less than three years in an easily accessible place using any storage media acceptable under § 240.17a-4(f):

(1) The documents created in accordance with paragraph (a) of this section;

(2) All notices of intention, amendments thereto, and other documentation and information filed with the Commission pursuant to § 240.17i-2, and any responses thereto;

(3) All reports and notices the supervised investment bank holding company shall file pursuant to § 240.17i-6;

(4) All notices the supervised investment bank holding company shall file pursuant to § 240.17i-8; and

(5) Records documenting the system of internal risk management controls for market, credit, leverage, funding, legal and operational risks required to be established pursuant to § 240.17i-4 to manage the risks of the affiliate group, including written guidelines, policies, and procedures.

(c) A supervised investment bank holding company may maintain the records specified in paragraph (b) of this section either at the supervised investment bank holding company, at an affiliate, or at a records storage facility, provided that the records are located within the boundaries of the United States. If the records are maintained by an entity other than the supervised investment bank holding company, the supervised investment bank holding company shall file with the Commission a written undertaking in a form acceptable to the Commission from the entity, signed by a duly authorized person at the entity maintaining the records, to the effect that the records will be treated as if the supervised investment bank holding company were maintaining the records