

(i) Establishes a Federal branch or agency; or

* * * *

PART 28—INTERNATIONAL BANKING ACTIVITIES

■ 5. The authority citation for part 28 continues to read as follows:

Authority: 12 U.S.C. 1 *et seq.*, 24(Seventh), 93a, 161, 602, 1818, 3101 *et seq.*, and 3901 *et seq.*

■ 6. In § 28.3, revise paragraphs (a)(1)(i) and (a)(2) to read as follows:

§ 28.3 Filing requirements for foreign operations of a national bank:

(a) * * *

(1) * * *

(i) Establish or open a foreign branch;

* * * *

(2) Opens a foreign branch, and no application or notice is required by the FRB for such transaction.

* * * *

■ 7. In § 28.5, revise paragraphs (a) and (b) to read as follows:

§ 28.5 Filing of notice.

(a) *Where to file.* A national bank shall file any notice or submission required under this subpart with the appropriate supervisory office of the OCC.

(b) *Availability of forms.* Individual forms and instructions for filings are available from the appropriate supervisory office of the OCC.

■ 8. In § 28.10:

■ a. revise the heading in paragraph (b); and

■ b. add a new paragraph (c) to read as follows:

§ 28.10 Authority, purpose, and scope.

* * * *

(b) Purpose. * * *

(c) *Scope.* This subpart applies to all Federal branches and agencies of foreign banks. Nothing in the OCC's rules relieves a Federal branch or agency from complying with requirements that are imposed by the FRB under Regulation K (12 CFR part 211) or otherwise imposed in accordance with applicable law.

■ 9. In § 28.11:

■ a. remove paragraph (d);

■ b. redesignate paragraphs (e) through (z) as paragraphs (d) through (y);

■ c. revise newly redesignated paragraphs (f)(1), (4), and (5);

■ d. add a new paragraph (f)(6);

■ e. add a new sentence to the end of newly redesignated paragraph (h); and

■ f. revise newly redesignated paragraph (u) to read as follows:

§ 28.11 Definitions.

* * * *

(f) *Establish a Federal branch or agency* means to:

(1) Open and conduct business through an initial or additional Federal branch or agency;

* * * *

(4) Convert a state branch or agency operated by a foreign bank, or a commercial lending company controlled by a foreign bank, into a Federal branch or agency;

(5) Relocate a Federal branch or agency within a state or from one state to another; or

(6) Convert a Federal agency or a limited Federal branch into a Federal branch.

* * * *

(h) *** Unless otherwise provided, the references in this subpart B of part 28 to a Federal branch include a limited Federal branch.

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(u) *Manual* has the same meaning as in 12 CFR 5.2(c).

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■ 10. In § 28.12:

■ a. revise paragraphs (a) and (b)(5);

■ b. redesignate paragraphs (e)(2) through (4) as paragraphs (e)(4) through (6);

■ c. add new paragraphs (e)(2) and (3);

■ d. revise newly redesignated paragraph (e)(4);

■ e. revise paragraph (f) in the introductory text;

■ f. redesignate paragraph (h) as paragraph (j);

■ g. add a new paragraph (h);

■ h. revise paragraph (i);

■ i. revise newly redesignated paragraph (j); and

■ j. add a new paragraph (k) to read as follows:

§ 28.12 Approval of a Federal branch or agency.

(a) *Approval and licensing requirements*—(1) *General.* Except as otherwise provided in this section, a foreign bank shall submit an application to, and obtain prior approval from, the OCC before it:

(i) Establishes a Federal branch or agency; or

(ii) Exercises fiduciary powers at a Federal branch.

(2) *Licensing.* A foreign bank must receive a license from the OCC to open and operate its initial Federal branch or agency in the United States. A foreign bank that has a license to operate and is operating a full-service Federal branch need not obtain a new license for any additional Federal branches or agencies, or to upgrade or downgrade its operations in an existing Federal branch or agency. A foreign bank that only has

a license to operate and is operating a limited Federal branch or Federal agency need not obtain a new license for any additional limited Federal branches or Federal agencies, or to convert a limited Federal branch into a Federal agency or a Federal agency into a limited Federal branch.

(b) * * *

* * * *

(5) With respect to an application to establish a Federal branch or agency outside of the foreign bank's home state, 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 when reviewing any other type of application to establish a Federal branch or agency; and

* * * *

(e) * * *

* * * *

(2) *Written notice for an additional intrastate Federal branch or agency.* (i) In a case where a foreign bank seeks to establish intrastate an additional Federal branch or agency, the foreign bank shall provide written notice 30 days in advance of the establishment of the intrastate Federal branch or agency.

(ii) The OCC may waive the 30-day period required under paragraph (e)(2)(i) of this section if immediate action is required. 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 an interstate Federal branch or agency.* 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 30th day after the OCC receives the filing, unless the OCC notifies the foreign 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 to establish a Federal branch or agency as defined in 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 foreign bank prior to that date that the