

December 9, 2019

MEMORANDUM TO: Board of Directors

FROM: Doreen R. Eberley, Director
Division of Risk Management Supervision

Mark Pearce, Director
Division of Depositor and Consumer Protection

SUBJECT: Final Rule: Removal of Transferred OTS Regulations Regarding Certain Regulations for the Operations of State Savings Associations and Conforming Amendments to Other Regulations

Summary: Staff recommends that the FDIC Board of Directors (“Board”) approve and authorize for publication in the *Federal Register* the attached final rule to rescind and remove 12 CFR part 390, subpart S, entitled *State Savings Associations—Operations*, and amend the following FDIC regulations to make them applicable to State savings associations:

- 12 CFR part 303, subparts D (merger transactions), F (change of director or senior executive officer), and K (prompt corrective action);
- 12 CFR part 326, subpart B (procedures for monitoring Bank Secrecy Act compliance);
- 12 CFR 337.3 (limits on extension of credit to executive officers, directors, and principal shareholders of insured nonmember banks) and 337.11 (effect of other banking practices); and
- 12 CFR part 353 (Suspicious Activity Reports).

In addition, the final rule includes technical amendments to section 337.3 of the FDIC’s regulations to correct cross-references to the Board of Governors of the Federal Reserve’s Regulation O that are incorrect due to revisions to Regulation O. Upon removal of part 390, subpart S and the conforming amendments, all FDIC-supervised institutions will follow substantially the same regulations and guidance regarding their operation.

Staff is requesting that the Board approve the final rule adopting, without change, the Notice of Proposed Rulemaking (“NPR”) published on October 31, 2019, which received no comments.

Concur:

Nicholas J. Podsiadly
General Counsel

I. Background – OTS Rule Transfer to FDIC

A. The Dodd-Frank Act

Beginning July 21, 2011, the transfer date established by section 311 of the Dodd-Frank Act,¹ the powers, duties, and functions of the former Office of Thrift Supervision (OTS) were divided among the FDIC, as to State savings associations, the Office of the Comptroller of the Currency (OCC), as to Federal savings associations, and the Board of Governors of the Federal Reserve System (FRB), as to savings and loan holding companies. Section 316(b) of the Dodd-Frank Act, provides the manner of treatment for all orders, resolutions, determinations, regulations, and advisory materials that had been issued, made, prescribed, or allowed to become effective by the OTS.² The section provides that if such issuances were in effect on the day before the transfer date, they continue in effect and are enforceable by or against the appropriate successor agency until they are modified, terminated, set aside, or superseded in accordance with applicable law by such successor agency, by any court of competent jurisdiction, or by operation of law.

The Dodd-Frank Act directed the FDIC and the OCC to consult with one another and to publish a list of the continued OTS regulations to be enforced by each respective agency. The list was published by the FDIC and OCC as a Joint Notice in the *Federal Register* on July 6, 2011,³ and shortly thereafter, the FDIC published its transferred OTS regulations as new FDIC

¹ 12 U.S.C. 5411.

² 12 U.S.C. 5414(b).

³ List of Office of Thrift Supervision Regulations to be Enforced by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, 76 FR 39246 (Jul. 6, 2011).

regulations in 12 CFR parts 390 and 391.⁴ When it republished the transferred OTS regulations, the FDIC noted that its staff would evaluate the transferred OTS regulations and might later recommend incorporating the transferred OTS rules into other FDIC rules, amending them or rescinding them, as appropriate.

Section 312(b)(2)(C) of the Dodd-Frank Act⁵ amended the definition of “appropriate Federal banking agency” contained in section 3(q) of the Federal Deposit Insurance Act (FDI Act)⁶ to add State savings associations to the list of entities for which the FDIC is designated as the “appropriate Federal banking agency.” As a result, when the FDIC acts as the designated “appropriate Federal banking agency” (or under similar terminology) for State savings associations, as it does here, the FDIC is authorized to issue, modify, and rescind regulations involving such associations and for State nonmember banks and insured branches of foreign banks.

B. 12 CFR Part 390, Subpart S

One of the rules of the former OTS that was transferred to the FDIC, 12 CFR part 563, governs many of the operations of State savings associations. The former OTS’s rule was transferred to the FDIC with nominal changes and is now found in the FDIC’s rules at part 390, subpart S, entitled “State Savings Associations – Operations.”⁷ Subpart S governs a wide range of operations of State savings associations, as further discussed below.⁸

⁴ Transfer and Redesignation of Certain Regulations Involving State Savings Associations Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, 76 FR 47652 (Aug. 5, 2011).

⁵ 12 U.S.C. 5412(b)(2)(C).

⁶ 12 U.S.C. 1813(q).

⁷ 12 CFR part 390, subpart S.

⁸ The transferred OTS provision governing the frequency of safety and soundness examinations of State savings associations, 12 CFR 390.351, was rescinded and removed by the final rule that amended 12 CFR 337.12 to reflect

II. The Proposal

A. *Removal of Part 390, Subpart S, Operations of State Savings Associations*

On October 31, 2019, the FDIC published a notice of proposed rulemaking (NPR or proposal) regarding the removal of part 390, subpart S, which generally concerns supervision and governance of State savings associations, including operations dealing with chartering documents, the issuance and sale of State savings association securities, mergers and consolidations, advertising, composition of the board of directors, tying restrictions, employment contracts, affiliate transactions, insider loans, pension plans, capital rules for subordinated debt securities and certain preferred stock, capital distributions, management and financial policies, examinations, financial derivatives, interest-rate-risk management, Bank Secrecy Act, fidelity bonds, conflicts of interest, and changes of directors or officers.⁹ The NPR proposed removing part 390, subpart S from the Code of Federal Regulations (CFR) because, after careful review and consideration, the staff believe it was largely unnecessary, redundant, or duplicative of existing FDIC regulations.

Rather than restate the rationale for rescission and removal of each of the thirty-eight sections of part 390, subpart S in this memorandum, staff has prepared Appendix A, which contains a summary of each section and the justification for its rescission and removal.

Additionally, in the *Federal Register* notice for the final rule, staff directs the reader to the

the authority of the FDIC under section 4(a) of HOLA to provide for the examination of safe and sound operation of State savings associations. *See Expanded Examination Cycle for Certain Small Insured Depository Institutions and U.S. Branches and Agencies of Foreign Banks*, 81 FR 90949 (Dec. 16, 2016).

⁹ 84 FR 58492 (Oct. 31, 2019).

fulsome explanations for rescission and removal provided in the NPR,¹⁰ which staff references in the final rule as the basis for finalizing the regulations as proposed. In several instances, the proposal to remove a specific section of subpart S was coupled with a proposed amendment to another section of the FDIC's regulations. These amendments are discussed below.

B. Amendments to Parts 303, 326, 337, and 353

The proposal would have made largely technical amendments to sections of the FDIC's regulations located in parts 303, 326, 337, and 353. The proposal would have changed the scope of several regulations to make them applicable not only to State nonmember banks but also to State savings associations. One proposed amendment would have included provisions specific to the Home Owners Loan Act (HOLA)¹¹ and applicable to State savings associations in regulations that previously had not applied to State savings associations, as further described below. Other proposed changes would have revised FDIC regulations to take into account changes to other regulations that are cross-referenced in those FDIC regulations.

The final rule adopts, without change, the proposed amendments to the FDIC's regulations located in parts 303, 326, 337, and 353, as detailed below.

1. Part 303 – Filing Procedures

a. Subpart D – Mergers

The proposal would have amended §303.62(a)(1) to clarify that subpart D of part 303¹² applies to merger transactions in which the resulting institution is either a State nonmember bank or a State savings association. This would permit the FDIC to rescind § 390.332, which deals with mergers and similar transactions in which the resulting institution is a State savings

¹⁰ *Id.*

¹¹ 12 U.S.C. 1461, *et seq.*

¹² 12 CFR 303.60-.65.

association. The proposal also would have added a new subsection (c) to § 303.64 to take into account HOLA's expedited statutory processing requirement as it applies to State savings associations. Specifically, the amendment would have clarified that the FDIC will act on merger applications submitted by State savings associations within 60 days after the date of the FDIC's receipt of a substantially complete merger application, subject to the FDIC's authority to extend such period by an additional 30 days in cases where material information is substantially inaccurate or incomplete. Finally, the proposal would have made a technical amendment to § 303.62(b)(5), requiring the transferring institution, rather than the assuming institution, to file the certification of assumption of deposit liability with the FDIC in accordance with part 307. This revision would have accurately reflected the requirements of part 307, which were amended in 2006.¹³

b. Subpart K – Distributions and Reduction of Capital

The proposal would have made changes to §§ 303.200 and 303.203 so that subpart K of part 303¹⁴ would expressly apply to State savings associations, as well as to State nonmember banks and insured branches of foreign banks. The proposed change (together with revisions to § 303.241, described below) would render §§ 390.342-.348 redundant and unnecessary. In addition, the proposal would have removed the reference to section 18(i) of the FDI Act, which is not applicable to State savings associations, and replaced it with a reference to § 303.241, which the proposal would have made applicable to State savings associations,¹⁵ to ensure that filings subject to §§ 303.203 and 303.241 are made concurrently or as part of the same application.

¹³ See 71 FR 8789 (Feb. 21, 2006), codified at 12 CFR 307.1 *et seq.*

¹⁴ 12 CFR 303.200-.207.

¹⁵ See section II.B.1.c., *infra*.

c. Subpart M – Other Filings

The proposal would have amended § 303.241, which implements section 18(i) of the FDI Act, to make § 303.241 applicable to State savings associations seeking to reduce or retire any part of their common stock or preferred stock, or capital notes or debentures, as if the State savings association were a State nonmember bank subject to section 18(i). As discussed in the proposal, while section 18(i) does not specifically apply to State savings associations, staff believes that it would be consistent with its authority under section 39 of the FDI Act to prescribe an operational standard requiring State savings associations to obtain the approval of the FDIC before entering into a transaction that would result in the reduction or retirement of capital stock or debt instruments, even if the institution would not be undercapitalized as a result of the transaction. Consistent with the procedures set forth in subpart K of part 303, the proposal would have required that applications pursuant to section 38 of the FDI Act and § 303.241 should be filed concurrently or as a single application.

2. Part 326 – Minimum Security Devices and Procedures and Bank Secrecy Act Compliance

The proposal would have amended two sections in part 326 to make the regulations of that part applicable to all entities for which the FDIC is the appropriate Federal banking agency pursuant to section 3(q) of the FDI Act.¹⁶ These amendments would have been accomplished by revising the definition in § 326.1(a) and by replacing each instance of “insured nonmember bank” in § 326.8 with “FDIC-supervised institution” and each instance of “bank” with “institution.” These revisions would have rendered § 390.354 duplicative and unnecessary. In

¹⁶ 12 U.S.C. 1813(q).

addition, the title of §326.8 would have been changed from “Bank Security Act compliance” to “Bank Secrecy Act compliance” to correct a scrivener’s error.

3. Part 337 – Unsafe and Unsound Banking Practices

The proposal would have revised § 337.3 to include State savings associations and foreign banks having an insured branch, as well as insured nonmember banks, within the scope of the FDIC’s limits on extensions of credit to executive officers, directors, and principal shareholders, thereby making § 390.338 redundant and unnecessary.

At the same time, the proposal would have made three technical edits to § 337.3. The first two revisions would have reflected changes made by the FRB to its Regulation O,¹⁷ which the FDIC incorporated by reference in § 337.3 with the exception of §§ 215.5(b), 215.5(c)(3), 215.5(c)(4), and 215.11. Due to revisions made by the FRB to Regulation O, those cross-references are no longer accurate, and the proposal would have corrected that error. Similarly, the proposal would have changed the cross-reference in footnote 3 to the correct section of Regulation O that defines unimpaired capital and surplus.

Finally, the proposal would have removed subsections (b)(3) and (b)(4), which included transition periods for loans that were entered into prior to May, 28, 1992. Given the passage of time since the codification of § 337.3, staff concluded that those subsections are no longer necessary.

4. Part 353 – Suspicious Activity Reports (SARs)

The proposed rule would have made the FDIC’s SAR-reporting regulations applicable to State savings associations as well as State nonmember banks and foreign banks having an insured branch. It would have added a new definition of FDIC-supervised institution to § 353.2

¹⁷ 12 CFR part 215.

and amended §§ 353.1 and 353.3 by (1) removing the term “insured nonmember bank” and replacing it with “FDIC-supervised institution” and (2) removing the term “bank” and replacing it with “institution”. These revisions would have made the SAR-reporting requirements of § 390.355 duplicative and unnecessary.

III. The Final Rule

The final rule rescinds and removes 12 CFR part 390, subpart S and amends 12 CFR part 303, subparts D, M, and K; 12 CFR part 326, subpart B; 12 CFR 337.3 and 337.11; and 12 CFR part 353 to make them applicable to State savings associations, without change, as proposed in the NPR.

IV. Recommendation

Based on the foregoing, staff recommends that the Board adopt the attached final rule and authorize its publication in the *Federal Register* with an effective date 30 days from the date of publication.

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Appendix A

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
§390.330 Chartering documents.	Rescind	Since the FDIC is not a chartering authority, it defers to State law regarding chartering document requirements.	II.A.
§390.331 Securities: Statement of non-insurance.	Rescind	Statement that a security is not insured is not necessary because it is not a “deposit” or “insured deposit” under §3(l) or (m) of the FDI Act, and part 328 prohibits use of the FDIC seal in advertising nondeposit products.	II.B.
§390.332 Merger, consolidation, purchase or sale of assets, or assumption of liabilities	Rescind; amend subpart D of part 303 to apply to State savings associations (SSAs) and take into account Home Owners’ Loan Act (HOLA) provisions regarding SSA mergers	As amended, part 303, subpart D would provide the same requirements for SSAs and State nonmember banks (SNBs) while addressing certain SSA-specific requirements of HOLA.	II.C.
§390.333 Advertising	Rescind	§5 of the Federal Trade Commission (FTC) Act prohibits unfair or deceptive trade practices or acts; the FDIC enforces §5 under §8 of the FDI Act. §390.333 prohibitions would be redundant.	II.D.
§390.334 Directors, officers, and employees	Rescind	A regulation of board membership/service for an SSA is unnecessary as SNBs and SSAs must comply with the laws of their chartering authorities. The FDIC Pocket Guide for Directors highlights appropriate conduct for directors.	II.E.
§390.335 Tying restriction exception	Rescind	The transferred regulation refers to “the regulations issued by the Board of Governors of the Federal Reserve System.” The Dodd-Frank Act gave the FRB rulemaking authority for §5(q) of HOLA (12 U.S.C. 1464(q)) and Reg LL (12 CFR 238), but enforcement	II.F.

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
		authority to the appropriate Federal banking agency.	
§390.336 Employment contracts	Rescind	§§ 30 and 39 of the FDI Act and Appendix A to part 364 prohibit unsafe and unsound employment compensation practices.	II.G.
§390.337 Transactions with affiliates	Rescind	§18(j) of the FDI Act and §11 of HOLA apply §§ 23A and 23B of the Federal Reserve Act to SNBs and SSAs, respectively, in the same manner and to the same extent as if they were member banks. The FDIC has interpreted “in the same manner” to include the application of the FRB’s Reg W, which implements §§ 23A and 23B.	II.H.
§390.338 Loans by State savings associations to their executive officers, directors, and principal shareholders	Rescind §; amend 337.3 (1) to apply to FDIC-supervised institutions and (2) to correct cross-references necessitated by the FRB’s renumbering of Regulation O (3) to eliminate transition provisions of 337.3 that are no longer needed	§390.338 is redundant of §337.3 as amended	II.I.
§390.339 Pension plans	Rescind	The §364 Interagency Safety and Soundness Guidelines prohibits compensation practices that could lead to material loss or damage to the sponsor. ERISA and Internal Revenue Code recordkeeping provisions also are applicable.	II.J.
§390.340 Offers and sales of securities at an office of a State savings association	Rescind	The Interagency Statement on Retail Sales of Nondeposit Investment Products and the FDIC Statement of Policy Regarding the Use of Offering Circulars in Connection with Public Distribution of Bank Securities address the substance of this section.	II.K.

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
§390.341 Inclusion of subordinated debt securities and mandatorily redeemable preferred stock as supplementary capital	Rescind	Many of the requirements of §390.341 are duplicative of the FDIC Statement of Policy Regarding the Use of Offering Circulars in Connection with Public Distribution of Bank Securities. Further, the criteria for tier 2 capital treatment are in the FDIC's capital rules in part 324.	II.L.
§390.342 Capital distributions by State savings associations	Rescind	With the rescission of 390.342-348, this scoping § is not necessary.	II.M.3.
§390.343 What is a capital distribution?	Rescind; amend part 303, subpart K (implementing §38 of the FDI Act (PCA)) to apply to SSAs.	Capital distributions are defined in §§ 18(i) and 38 of the FDI Act and in 12 CFR part 303, subpart K.	II.M.4.
§390.344 Definitions applicable to capital distributions	Rescind	Definitions applicable to this group of §§ are not necessary because we are rescinding this group of §§.	II.M.5.
§390.345 Must I file with the FDIC?	Rescind; amend §§ 303.203, 303.241 to make applicable to SSAs.	The four instances in which an application is required and the 2 instances where a notice is required generally are covered by §§ 303.203 and 303.241 (as amended). The revised treatment will apply the same obligations on SSAs as on SNBs.	II.M.6.
§390.346 How do I file with the FDIC?	Rescind	§390.346 provides filing instructions for capital distributions that are subject to application or notice requirements under §390.345, including instructions concerning a filing's content, schedules, and timing. Because staff proposes rescinding §390.345, these provisions would no longer be applicable. Filing requirements are in part 303 subpart K.	II.M.7.
§390.347 May I combine my notice or application with other notices or applications?	Rescind	With the rescission of §390.245, §390.247 is unnecessary. §§ 303.203 and 303.241 permit filings subject to those §§ as a single application or concurrently with other filings.	II.M.8.

12 CFR 390, Subpart S. State Savings Associations—Operations				
Section		Final Rule Treatment	Rationale	NPR §
§390.348	Will the FDIC permit my capital distribution?	Rescind	Because we propose to rescind §390.245, §390.348 is irrelevant. Applications under §18(i) of the FDI Act and §303.241 are subject to the statutory factors in §18(i)(4) of the FDI Act.	II.M.9.
§390.349	Management and financial policies	Rescind	§390.349 implements §4 of HOLA, requiring that SSAs be operated in a safe and sound manner and encouraging SSAs to provide housing credit safely and soundly. Pursuant to §39 of the FDI Act (which requires the federal banking agencies to prescribe safety and soundness standards) the FDIC has promulgated the Interagency Safety and Soundness Guidelines at 12 CFR part 364, App. A. §390.349 is duplicative of the Interagency Safety and Soundness Guidelines.	II.N.
§390.350	Examinations and audits; appraisals; establishment and maintenance of records	Rescind	§390.350(a) provides for periodic examinations, which is redundant of §337.12. §390.350(a) and (b) allow the FDIC to require an appraisal of real estate in connection with an examination. §323.3(c) allows the FDIC to require an appraisal whenever the FDIC believes it is necessary to address safety and soundness concerns. Thus, the appraisal provisions of 390.350(a) and (b) are not necessary. §390.350(c) provides for maintenance of accurate and complete records similar to the requirements of the Interagency Safety and Soundness Guidelines at 12 CFR part 364, App. A. §390.350(d) requires prior notice of relocating records, but there is no similar provision that applies to SNBs. Staff recommends rescission to reduce burden. §390.350(e) provides for the same notification of performance of bank services requirements found in §304.3(d).	II.O.

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
§390.352 Financial derivatives	Rescind	§28(a) of the FDI Act and 12 CFR part 362 allow an SSA to engage in activities permissible for a Federal savings association, subject to conditions. §163.172 of the OCC's regulations governs the financial derivatives actions of FSAs, rendering §390.352 unnecessary.	II.P.
§390.353 Interest-rate-risk-management procedures	Rescind	The FDIC has existing regulations regarding interest rate risk management (IRRM). Part 364 App. A, promulgated pursuant to §39 of the FDI Act, contains recommendations re IRRM policies and procedures. Since those regulations may be directly applied to SSAs, staff recommends rescission and removal of §390.353.	II.Q.
§390.354 Procedures for monitoring Bank Secrecy Act (BSA) compliance	Rescind; amend §§326.1 and .8 to apply to FDIC-supervised institutions.	§326.8 contains nearly identical BSA procedures for SNBs to those in §390.354. Staff recommends amending §326.8 to apply to all FDIC-supervised institutions	II.R.
§390.355 Suspicious Activity Reports and other reports and statements	Rescind; amend §§ 353.1 and .3 to apply to FDIC-supervised institutions	<p>Subsection (a) requires SSAs to make periodic reports to the FDIC in such a manner and on such forms as the FDIC may prescribe. Various statutes and regulations require reporting to the FDIC, making §390.355(a) unnecessary.</p> <p>Subsection (b) prohibits SSAs from making false or misleading statements or omissions. The OCC rule applies to all savings associations, and FDIC can enforce that rule.</p> <p>Subsection (c) requires a SSA maintaining bond insurance coverage to promptly notify its carrier and file a proof of loss concerning any covered losses more than twice the deductible amount. Staff has not identified a direct need for this provision, and there is no analogous</p>	II.S.

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
		<p>provision in Federal or state banking law. Parity and burden reduction justify rescission and removal.</p> <p>Subsection (d) requires SSAs to file a Suspicious Activity Report ("SAR") when they detect a known or suspected violation of Federal law or a suspicious transaction related to a money laundering activity or a violation of law or regulation. Part 353 and 31 U.S.C. § 5813(g) provide the basis for the FDIC with respect to SNBs and are sufficient for SSAs.</p> <p>Subsection 390.355(e) requires SSAs within the jurisdiction of a Federal Home Loan Bank (FHLB) to provide data from the Call Report upon the request of the FHLB. The OCC rule on this topic applies to all savings associations, and FDIC can enforce that rule.</p>	
§390.356 Bonds for directors, officers, employees, and agents; form of and amount of bonds	Rescind	There is no analogous provision that applies to SNBs, so to reduce regulatory burden, we should rescind.	II.T.
§390.357 Bonds for agents	Rescind	There is no FDIC regulation analogous to this provision. However, state law commonly requires agent bonding. Staff recommends that this provision be rescinded.	II.U.
§390.358 Conflicts of interest	Rescind	While section 8(e) of the FDI Act authorizes enforcement actions against directors and officers who breach their fiduciary duties to the depository institution, the existence and scope of a fiduciary duty is a matter of state law.	I.V.
§390.359 Corporate opportunity	Rescind	State law addresses corporate opportunity and breach of fiduciary duties. Section 8(e) of the FDI Act authorizes enforcement actions	II.W.

12 CFR 390, Subpart S. State Savings Associations—Operations			
Section	Final Rule Treatment	Rationale	NPR §
		against directors and officers who breach their fiduciary duties to the depository institution.	
§390.360 Change of director or senior executive officer	Rescind; amend part 303, subpart F to apply to SSAs	After amending subpart F of part 303 so that it applies to SSAs, section 390.360 is redundant of section 303.100.	II.X.1
§390.361 Applicable definitions	Rescind; amend part 303, subpart F to apply to SSAs	After amending subpart F of part 303 so that it applies to SSAs, section 390.361 is redundant of section 303.101.	II.X.2
§390.362 Who must give prior notice?	Rescind; amend part 303, subpart F to apply to SSAs	After amending subpart F of part 303 so that it applies to SSAs, section 390.362 is redundant of section 303.102 with one exception. Section 390.362(b) permits an individual not nominated by management and seeking election to the board to file an advance notice <i>or</i> the notice required by section 390.368. Staff does not believe the advance notice option is necessary for prudent supervision and, therefore, in the interest of supervisory consistency between SNBs and SSAs, recommends that section 390.362 be rescinded.	II.X.3
§390.363 What procedures govern the filing of my notice?	Rescind	Section 390.363 references sections 390.103 through 390.110 for filing procedures. These sections are substantively similar to the rules found in subpart A of part 303 that prescribe the general procedures for submitting filings to the FDIC.	II.X.4
§390.364 What information must I include in my notice?	Rescind	Section 390.364 is substantively similar to section 303.102, but section 303.102 does not specifically require fingerprints to be obtained.	II.X.5
§390.365 What procedures govern the FDIC's review of my notice for completeness?	Rescind; amend part 303, subpart F to apply to SSAs	Section 390.365 refers to procedures and timelines the FDIC will follow in reviewing a notice and is substantively similar to section 303.11 and subsection 303.103(a). Section 303.11 applies to all filings and after amending	II.X.6

12 CFR 390, Subpart S. State Savings Associations--Operations				
Section	Final Rule Treatment	Rationale	NPR §	
		subpart F of part 303 so that it applies to SSAs, section 390.365 will be unnecessary.		
§390.366	What standards and procedures will govern the FDIC review of the substance of my notice?	Rescind; amend part 303, subpart F to apply to SSAs	After amending subpart F of part 303 so that it applies to SSAs, section 390.366 is redundant of section 303.103(c).	II.X.7
§390.367	When may a proposed director or senior executive officer begin service?	Rescind; amend part 303, subpart F to apply to SSAs	Section 390.367 is substantively similar to subsections 303.103 (a) and (b). After amending subpart F of part 303 so that it applies to SSAs, section 390.367 will be unnecessary and duplicative of subsections 303.103 (a) and (b).	II.X.8
§390.368	When will the FDIC waive the prior notice requirement?	Rescind; amend part 303, subpart F to apply to SSAs	Section 390.398 is substantively similar to paragraph (c) of section 303.102. There is a minor difference in the timing for filing a notice for directors elected without the nomination of management (7 days versus 2 business days). Because maintaining alternative procedures for SSAs and SNBs would be confusing and burdensome and because section 390.398 is otherwise substantively similar to paragraph (c) of section 303.102, after amending subpart F of part 303 so that it applies to SSAs, staff proposes to rescind section 390.398.	II.X.9