



# NEWS RELEASE

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Comptroller of the Currency  
Administrator of National Banks

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## **OCC Issues Final Rule on Federal Branches and Agencies of Foreign Banks**

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today published a [final rule](#) to streamline and simplify regulations that apply to federal branches and agencies of foreign banks. The final rule reduces unnecessary regulatory burdens on national banks engaging in international activities, consistent with safety and soundness. The OCC is adopting these revisions as part of its commitment to review and update its rules regularly.

The changes further conform the treatment of federal branches and agencies to that of national bank consistent with the national treatment principles of the International Banking Act of 1978. The final rule streamlines regulatory processes in the following ways:

- It eliminates the requirement to file an application with the OCC when a foreign bank pares b its U.S. activities by converting a federal branch into a limited federal branch or a federal agency.
- It eliminates the need for foreign banks to apply for a new license when expanding U.S. activities and establishing certain additional federal branches or agencies after the opening of initial U.S. office. Approval requirements may still apply for these expanded activities, but establishing certain additional federal offices will not require applying for a new license from the OCC.
- It allows a foreign bank with federal branches or agencies in more than one state to consolidate its required capital equivalency deposits (CED) into one account and clarifies which U.S. ban are eligible to hold these consolidated deposits.
- It establishes in regulation the OCC's current policy of excluding liabilities of an international banking facility when calculating the amount of a federal branch's CED.
- It permits a qualifying federal branch to make certain non-controlling equity investments in a enterprise in the same manner as a national bank.
- It expands the list of notices and applications that are eligible for expedited processing.

The final rule also eases certain OCC filing requirements on internationally active national banks.

The final rule is available at [www.occ.treas.gov](http://www.occ.treas.gov).

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The OCC charters, regulates and examines approximately 2,100 national banks and 52 federal branches of foreign banks in the U.S., accounting for more than 55 percent of the nation's banking assets. Its mission is to ensure a safe and sound and competitive national banking system that suppo

the citizens, communities and economy of the United States.