

OCC 97-47

# RESCINDED

Subject: Notice of Comptroller of the  
Description: 1998 Fee Structure  
Date: December 1, 1997

Any attachments to this document are rescinded only as they relate to national banks and federal savings associations.

TO: Chief Executive Officers of all National Banks, Department and Division Heads, and all Examining Personnel

The purpose of this bulletin is to inform all national banks of 1998 fees charged by the Office of the Comptroller of the Currency. Unless otherwise specified, all fees are effective on January 1, 1998.

## SEMIANNUAL ASSESSMENT

Reference: 12 CFR 8.2

Effective date: Assessments due January 31 and July 31, 1998.

The OCC is revising its assessment regulation in order to make the agency's assessment schedule more equitable and to ensure that the fees paid by national banks more accurately reflect the actual costs of supervision. Pursuant to that revision, the OCC plans to shift costs to those banks that require more supervisory resources through a 25 percent assessment surcharge for banks rated 3, 4, or 5 under the Uniform Financial Institution Rating System (UFIRS) or Federal branches and agencies rated 3, 4, or 5 under the ROCA (Risk management, Operational controls, Compliance, and Asset quality) rating system as of the call date subject to the assessment (i.e., December 30, 1997 or June 30, 1998). The OCC analyses show that lower-rated institutions cost more to supervise than those rated 1 or 2. The surcharge, which will be offset by a reduction in assessments for healthier banks, will be revenue neutral in 1998. If subject to the surcharge, banks and Federal branches and agencies will adjust their assessment by multiplying the assessment that would otherwise be due by 1.25.

Assessments of national banks that are non-lead banks will be reduced by **12 percent**. The rule defines a non-lead bank as a national bank that is not the lead bank controlled by a company that controls two or more national banks, and defines a lead bank as the largest national bank controlled by the company based on total assets. Non-lead national banks within any company should multiply their calculated assessment by 0.88 to recognize the 12 percent discount.

The assessment regulation allows the OCC to adjust its assessment rates for inflation. For the fourth consecutive year, the Comptroller has waived any inflationary adjustment.

Each national bank, Federal branch, or Federal agency will calculate its assessment using the schedule below and then adjust it for the non-lead discount and/or condition surcharge, as appropriate.

### Assessment Fee Schedule

If the amount of total assets (consolidated domestic and foreign subsidiaries) is:		Assessment will be:		
Over	But Not Over	This Amount	Plus	Of Excess Over

\$ 0	\$ 2 Million	\$ 0	0.001574233	\$ 0
2 Million	20 Million	3,148	0.000196781	2 Million
20 Million	100 Million	6,691	0.000157424	20 Million
100 Million	200 Million	19,284	0.000102325	100 Million
200 Million	1,000 Million	29,517	0.000086582	200 Million
1,000 Million	2,000 Million	98,783	0.000070840	1,000 Million
2,000 Million	6,000 Million	169,623	0.000062971	2,000 Million
6,000 Million	20,000 Million	421,505	0.000053579	6,000 Million
20,000 Million	40,000 Million	1,171,608	0.000050403	20,000 Million
40,000 Million		2,179,674	0.000033005	40,000 Million

## HOURLY RATE FOR EXAMINATIONS AND INVESTIGATIONS

Reference: 12 CFR 8.6

Effective date: Examinations and Investigations subject to fee beginning after January 1, 1998.

Rate: \$49.00 per hour to recover the cost of conducting special examinations and investigations of national and District of Columbia banks, and of conducting investigations and examinations made pursuant to 12 CFR Part 5, Rules, Policies, and Procedures for Corporate Activities.

Fees charged for examining fiduciary activities of national and District of Columbia banks and related entities are eliminated for 1998.

## CORPORATE FEES 1/

Reference: 12 CFR 5.5

Two changes have been made for 1998 in Corporate Fees. The list below reflects that no fee will be required for applications for investments in bank premises. Footnote number 8 reflects that no fee will be required for applications pursuant to 12 USC 60 (b) for cash dividends.

### Payment of Fees

Fees must accompany the application.

### The Corporate Fee Schedule

Application Type	Fee
<b>New National Bank Charter</b>	
Standard	\$17,400
Expedited	8,700
Low- and Moderate-Income Area <u>2/</u>	0
<b>Conversion to a National Bank</b>	

Standard	5,100
Expedited	2,550
<b>Business Combination</b>	
Unaffiliated Business Combination	
Standard	6,200
Expedited	3,100
Unaffiliated Branch P&A	
Standard	3,800
Expedited	1,900
Affiliated Business Combination	
Business Reorganization [12 CFR 5.33(2)]	2,300
Standard	4,600
Expedited	2,300
Affiliated Branch P&A	
Standard	2,900
Expedited	1,450
Acquisition - Failed Bank	4,600
<b>Branches <u>4/</u></b>	
Standard	700
Expedited	350
Low-or Moderate-Income Area <u>2/</u>	0
<b>Branch Relocation</b>	
Standard	700
Expedited	350
Short-Distance	300
<b>Main Office Relocation</b>	
To Existing Branch Within City Limits	0
Other - Standard	700
Other - Expedited	350
<b>Operating Subsidiary</b>	

Standard	2,700
Expedited <u>5/</u>	1,350
Multi-Bank Op-Sub	as above +100 for each add'l bank
<b>Change in Bank Control <u>6/</u></b>	
New Entrant to System	10,200
After-the-Fact	5,100
Existing Officer/Director/National Bank	2,000
<b>Increase in Permanent Capital <u>7/</u></b>	
Standard Request For Approval	500
Expedited Request For Approval	250
<b>Reduction in Permanent Capital <u>8/</u></b>	
Standard	500
Expedited	250
<b>Subordinated Debt as Capital <u>9/</u></b>	
Standard Application For Approval	1,000
Expedited Approval	500
Request to Prepay	250
<b>Fiduciary Powers</b>	
Standard	1,600
Expedited	800
<b>Bank Service Corporation</b>	
Standard	2,000
Expedited	1,000
<b>Stock Appraisal <u>10/</u></b>	8,200
<b>Section 914 Notice (Changes in Directors or Senior Executive Officers)</b>	35
<b>Investment in Bank Premises</b>	0
<b>Federal Branches and Agencies</b>	
Initial/New Additional	12,200
Standard	1,000
Expedited	500

Relocation	
Standard	1,000
Expedited (with in state)	500
Change of Status - (State - Federal)	
Standard	3,600
Expedited	1,800
Change of Status - Other	
Standard	700
Expedited	350
Fiduciary Powers	
Standard	1,600
Expedited	800
Voluntary Liquidation	1,000

### CORPORATE FEES - Footnotes

1/ Expedited processing is available to eligible banks as defined in 12 CFR Parts 5 and 28. Applicants may request a reduced fee for transactions requiring multiple filings, steps, or banks. Applicants requesting reduced fees should consult with the appropriate district office in advance of filing. Generally, fee concessions are not granted unless savings in OCC's processing cost are demonstrated.

2/ The OCC does not require a corporate filing fee for applications for new national bank charters and for branches to be located in a low- or moderate-income area as defined in 12 CFR 25.12(l), (n)(1), and (n)(2), and where no other depository institution operates a branch or main office.

A charter application limited to trust activities or credit card operations sponsored by an eligible national bank, or by a company whose lead bank is an eligible national bank, will be charged the expedited review fee. However, the application is not eligible for expedited review.

3/ The stated fees are for a transaction involving two banks. If more than two **affiliated** banks are involved and if the following criteria are met, the OCC may charge a fee of \$100 for each additional intrastate charter and \$200 for each additional interstate charter involved in the transaction. Otherwise, additional fees will be required equal to no more than one-half the stated fee times the number of banks, based on the marginal increases in OCC's processing costs attributable to the additional banks. **Criteria:** a) the acquiring bank is eligible, b) current national bank assets exceed non-national bank assets, c) the business combination involves no other applications, and d) the combination presents no expected complications.

An application that does not qualify for expedited review because it involves either an interim bank, a trust bank, or credit card bank is nonetheless charged the expedited fee if: (1) the interim bank is merging with an eligible bank or (2) the trust bank, or credit card bank is a subsidiary of a bank holding

company whose lead bank is an eligible national bank, or is a subsidiary of an eligible national bank. However, the application is not eligible for expedited review.

4/ The fee listed for franchises is for one branch. Under certain circumstances, multiple branches filed together and published on the same date may be charged \$100 per additional bank branch.

5/ The bank must be eligible and the activity must qualify for expedited review.

6/ The fee for a change in bank control filing should be borne by the party(ies) acquiring the shares. The fee for increases by an existing officer or director is available for persons who have been associated with the bank for more than three years.

7/ A national bank generally need only submit a notice to increase its permanent capital. However, prior OCC approval is required to increase permanent capital if a bank is required by OCC to obtain prior approval, it plans to sell common or preferred stock for consideration other than cash, or it will receive a material noncash contribution to capital surplus.

8/ Includes distributions from surplus or surplus accounts (unless to pay dividends from surplus that was transferred from prior period earnings); acquisitions of treasury stock; retirement of outstanding shares. No fee is required for applications to pay dividends pursuant to 12 USC 60(b).

9/ Prior approval is required if the OCC has notified the bank that it must receive prior approval or the bank will become inadequately capitalized proceeding the transaction. Otherwise, a bank may issue subordinated debt without prior OCC approval, but if the bank would like the subordinated debt to count as Tier 2 capital, it must provide the OCC with notification after the debt has been issued. No fee is charged for this request. Also, no approval is required for eligible banks to repay subordinated debt.

10/ The fee for stock appraisal must be borne by the surviving bank after a merger transaction.

### **FEES FOR BANK SECURITIES DEALERS**

Reference: 12 CFR 8.15

Effective date: Fees for securities dealers on record as of January 1, 1998.

The annual franchise fees that were previously imposed on a national bank, department or division of a bank that was registered or on file with the OCC as either a municipal or a government securities dealer will be eliminated pursuant to the revisions to Part 8 previously mentioned.

### **FEES FOR SECURITIES-RELATED FILINGS**

Reference: 12 CFR 11.4

Effective Date: Filings received on or after January 1, 1998.

Fees for securities-related filings, which include offering circulars and documents filed pursuant to 12 CFR Part 11, 16 and 5 are eliminated for 1998. The OCC will monitor the level of securities filings in 1998 and may reconsider whether some filing fees should be reimposed.

### **PUBLICATIONS:**

Soft Cover Handbook/Manual - Published after 1995	\$50.00 each volume
Soft Cover Handbook/Manual - Published from 1992 to 1995	30.00 each volume
Soft Cover Handbook/Manual - Published in 1990 or 1991	25.00 each volume
Banking Regulation for Examiners	25.00 each volume
Individual Booklets from any handbook	15.00 each
Comptroller's Handbook (complete, with one year of updates)	120.00 each
Comptroller's Handbook for Compliance (complete, with one year of updates)	60.00 each

The soft cover handbooks and manuals include Banking Laws for Examiners, An Examiner's Guide to Investment Products and Practices, pre-1996 version of the Comptroller's Handbook for Fiduciary Activities, Comptroller's Manual for Corporate Activities (two volumes), and An Examiner's Guide to Consumer Compliance.

Beginning in 1995, the Comptroller's Handbook was updated by individual booklets which replace the contents of the Comptroller's Handbook for National Bank Examiners. In 1996, the Comptroller's Handbook for Compliance was also replaced by individual booklets. In 1997, a similar process will convert the Comptroller's Handbook for Fiduciary Activities and Comptroller's Handbook for Corporate Activities.

Quarterly Journal - Annual Charge	\$ 100.00
Interpretations and Actions - Annual Charge	175.00
OCC Bulletins - Annual Charge	150.00
History - single bank:	50.00
Less than 50 years	100.00
50 years or more	

Bank histories are written on the corporate transactions in a national bank's history. Corporate transactions include charter issues, name changes, mergers, closings, and liquidation proceedings before the establishment of the FDIC.

#### **MISCELLANEOUS FEES:**

Certificate of Corporate Existence	\$100.00
Copies	\$10.00

#### **Freedom of Information Act and Privacy Act Requests:**

Search and redaction	\$30.00 an hour
Photocopying	\$ 0.15 a page

**Examination Reports:**

Initial Copy	Free
Additional Copies -	\$ 10.00
Special Requests - Each	\$ 50.00

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Administration

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