

RESCINDED

OCC Bulletin 2024-4 | January 29, 2024

Business Combinations Under the Bank Merger Act: Notice of Proposed Rulemaking

Replaced: See OCC 2024-28

To

Chief Executive Officers of All National Banks, Federal Savings Associations, and Federal Branches and Agencies; Department and Division Heads; All Examining Personnel; and Other Interested Parties

Summary

The Office of the Comptroller of the Currency (OCC) is proposing to amend its rules for business combinations involving national banks and federal savings associations in 12 CFR 5.33 and add as an appendix to 12 CFR 5, subpart C, a policy statement, titled “Policy Statement Regarding Statutory Factors Under the Bank Merger Act,” that summarizes the principles the OCC uses when it reviews proposed bank merger transactions under the Bank Merger Act (BMA).

Note for Community Banks

The proposed regulatory amendments would apply to all national banks, federal savings associations, and federal branches and agencies of foreign banks. The proposed policy statement would apply to insured national banks, federal savings associations, and federal branches of foreign banks.

Highlights

The proposed rule would remove provisions in 12 CFR 5.33 related to expedited review and use of the streamlined business combination application. In addition, the proposed policy statement would discuss the OCC's review of applications submitted under the BMA, including:

- General principles for the OCC's review of applications under the BMA, including indicators for applications likely consistent with approval and applications that raise supervisory or regulatory concerns that most likely need to be resolved prior to OCC approval.
- The OCC's consideration of the financial stability; the managerial and financial resources and future prospects; and the convenience and needs statutory factors under the BMA.
- The OCC's decision process for extending the public comment period or holding a public meeting.

Background

This proposed rulemaking is part of the OCC's effort to clarify its process of reviewing transactions under the BMA. The OCC is proposing the policy statement to provide additional clarity and guidance to national banks, federal savings associations, federal branches of foreign banks, other institutions, and the public on the OCC's review of applications under the BMA. The OCC is also proposing changes to its processing of business combinations under 12 CFR 5.33 to reflect its view that a business combination is a significant corporate transaction.

Further Information

Please contact Valerie Song, Assistant Director, Christopher Crawford, Special Counsel, or Elizabeth Small, Counsel, Chief Counsel's Office, (202) 649-5490; or Yoo Jin Na, Director for Licensing Activities, (202) 649-6260.

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