§ 211.11 Advisory opinions under Regulation K.

(a) Request for advisory opinion. Any person may submit a request to the Board for an advisory opinion regarding the scope of activities permissible under any subpart of this part.

(b) Form and content of the request. Any request for an advisory opinion under this section shall be:

1. Submitted in writing to the Board;
2. Contain a clear description of the proposed parameters of the activity, or the service or product, at issue; and
3. Contain a concise explanation of the grounds on which the submitter contends the activity is or should be considered by the Board to be permissible under this part.

(c) Response to request. In response to a request received under this section, the Board shall:

1. Direct the submitter to provide such additional information as the Board may deem necessary to complete the record for a full consideration of the issue presented; and
2. Provide an advisory opinion within 45 days after the record on the request has been determined to be complete.

(A) Such contracts are entered into solely for the purpose of hedging the investor’s positions in the underlying commodity or derivative contracts based on the commodity;

(B) The contract allows for assignment, termination or offset prior to expiration; and

(C) Reasonable efforts are made to avoid delivery.

(b) Regulation Y activities. An investor may engage in activities that the Board has determined in §225.28(b) of Regulation Y (12 CFR 225.28(b)) are closely related to banking under section 4(c)(8) of the BHC Act (12 U.S.C. 1843(c)(8)).

(c) Specific approval. With the Board’s specific approval, an investor may engage in other activities that the Board determines are usual in connection with the transaction of the business of banking or other financial operations abroad and are consistent with the FRA or the BHC Act.

12 CFR Ch. II (1–1–10 Edition)