

(C) The names of the supplied materials, including beef components and any materials carried over from one production lot to the next;

(D) The date and time each lot of raw ground beef product is produced; and

(E) The date and time when grinding equipment and other related food-contact surfaces are cleaned and sanitized.

(ii) Official establishments and retail stores covered by this part that prepare ground beef products that are ground at an individual customer's request must keep records that comply with paragraph (b)(4)(i) of this section.

(iii) For the purposes of this section of the regulations, a lot is the amount of ground raw beef produced during particular dates and times, following clean up and until the next clean up, during which the same source materials are used.

\* \* \* \* \*

■ 3. Revise § 320.2 to read as follows:

**§ 320.2 Place of maintenance of records.**

(a) Except as provided in paragraph (b) of this section, any person engaged in any business described in § 320.1 and required by this part to keep records must maintain such records at the place where such business is conducted, except that if such person conducts such business at multiple locations, he may maintain such records at his headquarters' office. When not in actual use, all such records must be kept in a safe place at the prescribed location in accordance with good commercial practices.

(b) Records required to kept under § 320.1(b)(4) must be kept at the location where the raw beef was ground.

■ 4. Revise § 320.3 to read as follows:

**§ 320.3 Record retention period.**

(a) Except as provided in paragraphs (b) and (c) of this section, every record required to be maintained under this part must be retained for a period of 2 years after December 31 of the year in which the transaction to which the record relates has occurred and for such further period as the Administrator may require for purposes of any investigation or litigation under the Act, by written notice to the person required to keep such records under this part.

(b) Records of canning as required in subpart G of part 318 of this chapter, must be retained as required in § 318.307(e); except that records required by § 318.302(b) and (c) must be retained as required by those sections.

(c) Records required to be maintained under § 320.1(b)(4) must be retained for one year.

Done in Washington, DC, on: December 14, 2015.

**Alfred V. Almanza,**

*Acting Administrator.*

[FR Doc. 2015-31795 Filed 12-18-15; 8:45 am]

**BILLING CODE 3410-DM-P**

**FEDERAL DEPOSIT INSURANCE CORPORATION**

**12 CFR Parts 348 and 390**

**RIN 3064-AE20**

**Removal of Transferred OTS Regulations Regarding Management Official Interlocks and Amendments to FDIC's Rules and Regulations**

**AGENCY:** Federal Deposit Insurance Corporation.

**ACTION:** Final rule.

**SUMMARY:** The Federal Deposit Insurance Corporation ("FDIC") is adopting a final rule to rescind and remove from the Code of Federal Regulations the transferred OTS regulation entitled "Management Official Interlocks." This subpart was included in the regulations that were transferred to the FDIC from the Office of Thrift Supervision ("OTS") on July 21, 2011, in connection with the implementation of applicable provisions of title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"). The requirements for State savings associations in the transferred OTS regulation are substantively similar to those in the FDIC's regulation, which is also entitled "Management Official Interlocks" and is applicable for all insured depository institutions ("IDIs") for which the FDIC has been designated the appropriate Federal banking agency.

**DATES:** The final rule is effective on January 20, 2016.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Maree, Counsel, Legal Division, (202) 898-6543; Mark Mellon, Counsel, Legal Division, (202) 898-3884; Karen Currie, Senior Examination Specialist, (202) 898-3981.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

*A. The Dodd-Frank Act*

The Dodd-Frank Act<sup>1</sup> provided for a substantial reorganization of the regulation of State and Federal savings associations and their holding companies. Beginning July 21, 2011, the

transfer date established by section 311 of the Dodd-Frank Act, codified at 12 U.S.C. 5411, the powers, duties, and functions formerly performed by the 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, codified at 12 U.S.C. 5414(b), 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. The section provides that if such materials were in effect on the day before the transfer date, they continue to be 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.

Section 316(c) of the Dodd-Frank Act, codified at 12 U.S.C. 5414(c), further directed the FDIC and the OCC to consult with one another and to publish a list of the continued OTS regulations that would be enforced by the FDIC and the OCC, respectively. On June 14, 2011, the FDIC's Board of Directors approved a "List of OTS Regulations to be Enforced by the OCC and the FDIC Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act." This list was published by the FDIC and the OCC as a Joint Notice in the **Federal Register** on July 6, 2011.<sup>2</sup>

Although section 312(b)(2)(B)(i)(II) of the Dodd-Frank Act, codified at 12 U.S.C. 5412(b)(2)(B)(i)(II), granted the OCC rulemaking authority relating to both State and Federal savings associations, nothing in the Dodd-Frank Act affected the FDIC's existing authority to issue regulations under the Federal Deposit Insurance Act ("FDI Act") and other laws as the "appropriate Federal banking agency" or under similar statutory terminology. Section 312(c) of the Dodd-Frank Act amended the definition of "appropriate Federal banking agency" contained in section 3(q) of the FDI Act, 12 U.S.C. 1813(q), 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

<sup>1</sup> Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. 111-203, 124 Stat. 1376 (2010).

<sup>2</sup> 76 FR 39247 (July 6, 2011).

savings associations, as it does here, the FDIC is authorized to issue, modify and rescind regulations involving such associations, as well as for State nonmember banks and insured branches of foreign banks.

As noted, on June 14, 2011, pursuant to this authority, the FDIC's Board of Directors reissued and redesignated certain transferring regulations of the former OTS. These transferred OTS regulations were published as new FDIC regulations in the **Federal Register** on August 5, 2011.<sup>3</sup> When it republished the transferred OTS regulations as new FDIC regulations, the FDIC specifically noted that its staff would evaluate the transferred OTS rules and might later recommend incorporating the transferred OTS regulations into other FDIC rules, amending them, or rescinding them, as appropriate.

One of the OTS rules transferred to the FDIC governs OTS oversight of management official interlocks in the context of State savings associations. The OTS rule, formerly found at 12 CFR part 563f, was transferred to the FDIC with only minor nonsubstantive changes and is now found in the FDIC's rules at 12 CFR part 390, subpart V ("part 390, subpart V"), entitled "Management Official Interlocks." Before the transfer of the OTS rules and continuing today, the FDIC's rules contained 12 CFR part 348 ("part 348"), also entitled "Management Official Interlocks," a rule governing FDIC oversight of management official interlocks with respect to IDIs for which the FDIC has been designated the appropriate Federal banking agency. After careful review and comparison of part 390, subpart V and part 348, the FDIC has decided to (1) rescind part 390, subpart V, because, as discussed below, it is substantively redundant to existing part 348; and (2) simultaneously make technical conforming edits to part 348.

## II. Proposed Rule

### A. Removal of Part 390, Subpart V (Former OTS 12 CFR Part 563f)

On July 21, 2014, the FDIC published a Notice of Proposed Rulemaking ("NPR" or "Proposed Rule") regarding the removal of part 390, subpart V, which governs management official interlocks for State savings associations and their affiliates.<sup>4</sup> The former OTS rule was transferred to the FDIC with only nominal changes. The NPR proposed removing part 390, subpart V from the CFR in an effort to streamline

FDIC regulations for all FDIC-supervised institutions. As discussed in the Proposed Rule, the FDIC carefully reviewed the transferred rule, part 390, subpart V, and compared it with part 348, an FDIC regulation that existed before the transfer of part 390, subpart V and that continues to remain in effect today. Like the transferred rule, part 348 governs management official interlocks for State nonmember insured banks and their affiliates. Although the two rules were substantively the same, minor technical and conforming amendments were proposed.

### B. Amendments to Part 348

The FDIC proposed to modify the scope of part 348, section 348.1(c), to apply to "management officials of FDIC-supervised institutions and their affiliates" to conform to and reflect the scope of the FDIC's current supervisory responsibilities as the appropriate Federal banking agency. The FDIC also proposed to add two new definitions into section 348.2. A newly created subsection (i) would have defined an "FDIC-supervised institution" as "either an insured nonmember bank or a State savings association." A newly created subsection (p) would have defined "State savings association" as having "the same meaning as in section 3(b)(3) of the Federal Deposit Insurance Act, 12 U.S.C. 1813(b)(3)." The proposal would also have inserted an exemption from part 390, subpart V, section 390.403(i), into a newly created subsection (j) of section 348.4. The exemption would have allowed certain interlocking relationships for any State savings association that has issued stock in connection with a qualified stock issuance pursuant to section 10(q) of the Home Owners' Loan Act ("HOLA").

If these proposals are finalized, oversight of management official interlocks in part 348 will apply to all FDIC-supervised institutions, including State savings associations, and part 390, subpart V would be removed because it is largely redundant of those rules found in part 348. Rescinding part 390, subpart V will serve to streamline the FDIC's rules and eliminate unnecessary regulations.

## III. Comments

The FDIC issued the NPR with a 60-day comment period, which closed on September 19, 2014. The FDIC received no comments on its Proposed Rule, and consequently the final rule ("Final Rule") is adopted as proposed without any changes.

## IV. Explanation of the Final Rule

As discussed in the NPR, part 390, subpart V is substantively similar to part 348, and the designation of part 348 as a single authority of management official interlocks for all FDIC-supervised institutions will serve to streamline the FDIC's rules and eliminate unnecessary regulations. To that effect, the Final Rule removes and rescinds 12 CFR part 390, subpart V in its entirety.

Consistent with the Proposed Rule, the Final Rule also amends section 348.1(c) to modify the scope of part 348. The modified scope, reflecting the FDIC's current supervisory responsibilities as the appropriate Federal banking agency includes State savings associations and their subsidiaries. The Final Rule also adds two new definitions into section 348.2. A newly created subsection (i) would define an "FDIC-supervised institution" as "either an insured nonmember bank or a State savings association." A newly created subsection (p) would define "State savings association" as having "the same meaning as in section 3(b)(3) of the Federal Deposit Insurance Act, 12 U.S.C. 1813(b)(3)." The Final Rule also inserts an exemption from part 390, subpart V, section 390.403(i), into a newly created subsection (j) of section 348.4. The exemption allows certain interlocking relationships for any State savings association that has issued stock in connection with a qualified stock issuance pursuant to section 10(q) of HOLA.

## V. Administrative Law Matters

### A. The Paperwork Reduction Act

In accordance with the requirements of the Paperwork Reduction Act ("PRA") of 1995, 44 U.S.C. 3501–3521, the FDIC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget ("OMB") control number. The information collections contained in part 348 are cleared by OMB under the FDIC's "Management Official Interlocks" information collection (OMB No. 3064–0118). The FDIC's burden estimates were updated in connection with the collection's 2012 renewal to include State savings associations transferred from the OTS to the FDIC. The FDIC reviewed its burden estimates for the collection at the time it assumed responsibility for supervision of State savings associations transferred from the OTS and determined that no changes to the burden estimates were necessary. This Final Rule does not modify the

<sup>3</sup> 76 FR 47652 (Aug. 5, 2011).

<sup>4</sup> 79 FR 42225 (July 21, 2014).

FDIC's existing collection and does not create any new collections of information pursuant to the PRA. Therefore, no information collection request has been submitted to the OMB for review.

#### B. The Regulatory Flexibility Act

The Regulatory Flexibility Act ("RFA"), 5 U.S.C. 601 *et seq.*, generally requires an agency to consider whether a final rule will have a significant economic impact on a substantial number of small entities (defined in regulations promulgated by the Small Business Administration to include banking organizations with total assets of less than or equal to \$550 million).<sup>5</sup> Pursuant to section 605(b) of the RFA, a final regulatory flexibility analysis is not required if the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities, and publishes its certification and a short explanatory statement in the **Federal Register** together with the rule. For the reasons provided below, the FDIC certifies that the Final Rule will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required.

As discussed in the notice of proposed rulemaking, part 390, subpart V was transferred from OTS part 563f, which governed management official interlocks. OTS part 563f had been in effect since 1979, and all State savings associations were required to comply with it. Because it is redundant of existing part 348 of the FDIC's rules, the FDIC proposes rescinding and removing part 390, subpart V. As a result, all FDIC-supervised institutions—including State savings associations and their affiliates—would be required to comply with part 348 for management official interlocks. Because all State savings associations and their affiliates have been required to comply with substantially similar management official interlocks rules since 1979, the FDIC certifies that the Final Rule will have no significant economic impact on small entities or State savings associations.

#### C. Small Business Regulatory Enforcement Fairness Act

The Office of Management and Budget has determined that the Final Rule is not a "major rule" within the meaning of the Small Business Regulatory Enforcement Fairness Act of 1996 ("SBREFA"), 5 U.S.C. 801 *et seq.*

#### D. Plain Language

Section 722 of the Gramm-Leach-Bliley Act, 12 U.S.C. 4809, requires each Federal banking agency to use plain language in all of its proposed and final rules published after January 1, 2000. In the NPR, the FDIC invited comments on whether the Proposed Rule was clearly stated and effectively organized, and how the FDIC might make it easier to understand. Although the FDIC did not receive any comments, the FDIC sought to present the Final Rule in a simple and straightforward manner.

#### E. The Economic Growth and Regulatory Paperwork Reduction Act

Under section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 ("EGRPRA"), the FDIC is required to review all of its regulations, at least once every 10 years, in order to identify any outdated or otherwise unnecessary regulations imposed on insured depository institutions.<sup>6</sup> The FDIC completed the last comprehensive review of its regulations under EGRPRA in 2006 and is commencing the next decennial review, which is expected to be completed by 2016. The NPR solicited comments on whether the proposed rescission of part 390, subpart V and amendments to part 348 would impose any outdated or unnecessary regulatory requirements on insured depository institutions. No comments on this issue were received. Upon review, the FDIC does not believe that part 348, as amended by the Final Rule, imposes any outdated or unnecessary regulatory requirements on any insured depository institutions.

#### List of Subjects

##### 12 CFR Part 348

Banks, banking; Management official interlocks; Savings associations

##### 12 CFR Part 390

Management official interlocks

#### Authority and Issuance

For the reasons stated in the preamble, the Board of Directors of the Federal Deposit Insurance Corporation amends parts 348 and 390 of title 12 of the Code of Federal Regulations as follows:

- 1. Revise part 348 to read as follows:

#### PART 348—MANAGEMENT OFFICIAL INTERLOCKS

Sec.

348.1 Purpose and scope.

- 348.2 Other definitions and rules of construction.
- 348.3 Prohibitions.
- 348.4 Interlocking relationships permitted by statute.
- 348.5 Small market share exemption.
- 348.6 General exemption.
- 348.7 Change in circumstances.
- 348.8 Enforcement.

**Authority:** 12 U.S.C. 3207, 12 U.S.C. 1823(k).

#### § 348.1 Purpose and scope.

(a) *Authority.* This part is issued under the provisions of the Depository Institution Management Interlocks Act (Interlocks Act) (12 U.S.C. 3201 *et seq.*), as amended.

(b) *Purpose.* The purpose of the Interlocks Act and this part is to foster competition by generally prohibiting a management official from serving two nonaffiliated depository organizations in situations where the management interlock likely would have an anticompetitive effect.

(c) *Scope.* This part applies to management officials of FDIC-supervised institutions and their affiliates.

#### § 348.2 Other definitions and rules of construction.

For purposes of this part, the following definitions apply:

(a) *Affiliate.* (1) The term affiliate has the meaning given in section 202 of the Interlocks Act (12 U.S.C. 3201). For purposes of section 202, shares held by an individual include shares held by members of his or her immediate family. "Immediate family" means spouse, mother, father, child, grandchild, sister, brother or any of their spouses, whether or not any of their shares are held in trust.

(2) For purposes of section 202(3)(B) of the Interlocks Act (12 U.S.C. 3201(3)(B)), an affiliate relationship involving an FDIC-supervised institution based on common ownership does not exist if the FDIC determines, after giving the affected persons the opportunity to respond, that the asserted affiliation was established in order to avoid the prohibitions of the Interlocks Act and does not represent a true commonality of interest between the depository organizations. In making this determination, the FDIC considers, among other things, whether a person, including members of his or her immediate family whose shares are necessary to constitute the group, owns a nominal percentage of the shares of one of the organizations and the percentage is substantially disproportionate to that person's ownership of shares in the other organization.

<sup>5</sup> 5 U.S.C. 601 *et seq.*

<sup>6</sup> Public Law 104–208, 110 Stat. 3009 (Sept. 30, 1996).

(b) *Area median income* means:

(1) The median family income for the metropolitan statistical area (MSA), if a depository organization is located in an MSA; or

(2) The statewide nonmetropolitan median family income, if a depository organization is located outside an MSA.

(c) *Community* means a city, town, or village, and contiguous or adjacent cities, towns, or villages.

(d) *Contiguous or adjacent cities, towns, or villages* means cities, towns, or villages whose borders touch each other or whose borders are within 10 road miles of each other at their closest points. The property line of an office located in an unincorporated city, town, or village is the boundary line of that city, town, or village for the purpose of this definition.

(e) *Depository holding company* means a bank holding company or a savings and loan holding company (as more fully defined in section 202 of the Interlocks Act (12 U.S.C. 3201)) having its principal office located in the United States.

(f) *Depository institution* means a commercial bank (including a private bank), a savings bank, a trust company, a savings and loan association, a building and loan association, a homestead association, a cooperative bank, an industrial bank, or a credit union, chartered under the laws of the United States and having a principal office located in the United States. Additionally, a United States office, including a branch or agency, of a foreign commercial bank is a depository institution.

(g) *Depository institution affiliate* means a depository institution that is an affiliate of a depository organization.

(h) *Depository organization* means a depository institution or a depository holding company.

(i) *FDIC-supervised institution* means either an insured state nonmember bank or a State savings association.

(j) *Low- and moderate-income areas* means census tracts (or, if an area is not in a census tract, block numbering areas delineated by the United States Bureau of the Census) where the median family income is less than 100 percent of the area median income.

(k) *Management official*. (1) The term *management official* means:

(i) A director;

(ii) An advisory or honorary director of a depository institution with total assets of \$100 million or more;

(iii) A senior executive officer as that term is defined in 12 CFR 303.101(b).

(iv) A branch manager;

(v) A trustee of a depository organization under the control of trustees; and

(vi) Any person who has a representative or nominee serving in any of the capacities in this paragraph (j)(1).

(2) The term *management official* does not include:

(i) A person whose management functions relate exclusively to the business of retail merchandising or manufacturing;

(ii) A person whose management functions relate principally to the business outside the United States of a foreign commercial bank; or

(iii) A person described in the provisos of section 202(4) of the Interlocks Act (12 U.S.C. 3201(4)) (referring to an officer of a State-chartered savings bank, cooperative bank, or trust company that neither makes real estate mortgage loans nor accepts savings).

(l) *Office* means a principal or branch office of a depository institution located in the United States. Office does not include a representative office of a foreign commercial bank, an electronic terminal, or a loan production office.

(m) *Person* means a natural person, corporation, or other business entity.

(n) *Relevant metropolitan statistical area (RMSA)* means an MSA, a primary MSA, or a consolidated MSA that is not comprised of designated Primary MSAs to the extent that these terms are defined and applied by the Office of Management and Budget.

(o) *Representative or nominee* means a natural person who serves as a management official and has an obligation to act on behalf of another person with respect to management responsibilities. The FDIC will find that a person has an obligation to act on behalf of another person only if the first person has an agreement, express or implied, to act on behalf of the second person with respect to management responsibilities. The FDIC will determine, after giving the affected persons an opportunity to respond, whether a person is a *representative or nominee*.

(p) *State savings association* has the same meaning as in section (3)(b)(3) of the Federal Deposit Insurance Act, 12 U.S.C. 1813(b)(3).

(q) *Total assets*. (1) The term *total assets* includes assets measured on a consolidated basis and reported in the most recent fiscal year-end Consolidated Report of Condition and Income.

(2) The term *total assets* does not include:

(i) Assets of a diversified savings and loan holding company as defined by section 10(a)(1)(F) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)(1)(F))

other than the assets of its depository institution affiliate;

(ii) Assets of a bank holding company that are exempt from the prohibitions of section 4 of the Bank Holding Company Act of 1956 pursuant to an order issued under section 4(d) of that Act (12 U.S.C. 1843(d)) other than the assets of its depository institution affiliate; or

(iii) Assets of offices of a foreign commercial bank other than the assets of its United States branch or agency.

(r) *United States* means the United States of America, any State or territory of the United States of America, the District of Columbia, Puerto Rico, Guam, American Samoa, and the Virgin Islands.

#### § 348.3 Prohibitions.

(a) *Community*. A management official of a depository organization may not serve at the same time as a management official of an unaffiliated depository organization if the depository organizations in question (or a depository institution affiliate thereof) have offices in the same community.

(b) *RMSA*. A management official of a depository organization may not serve at the same time as a management official of an unaffiliated depository organization if the depository organizations in question (or a depository institution affiliate thereof) have offices in the same RMSA and each depository organization has total assets of \$50 million or more.

(c) *Major assets*. A management official of a depository organization with total assets exceeding \$2.5 billion (or any affiliate of such an organization) may not serve at the same time as a management official of an unaffiliated depository organization with total assets exceeding \$1.5 billion (or any affiliate of such an organization), regardless of the location of the two depository organizations. The FDIC will adjust these thresholds, as necessary, based on the year-to-year change in the average of the Consumer Price Index for the Urban Wage Earners and Clerical Workers, not seasonally adjusted, with rounding to the nearest \$100 million. The FDIC will announce the revised thresholds by publishing a final rule without notice and comment in the **Federal Register**.

#### § 348.4 Interlocking relationships permitted by statute.

The prohibitions of § 348.3 do not apply in the case of any one or more of the following organizations or to a subsidiary thereof:

(a) A depository organization that has been placed formally in liquidation, or which is in the hands of a receiver,

conservator, or other official exercising a similar function;

(b) A corporation operating under section 25 or section 25A of the Federal Reserve Act (12 U.S.C. 601 *et seq.* and 12 U.S.C. 611 *et seq.*, respectively) (Edge Corporations and Agreement Corporations);

(c) A credit union being served by a management official of another credit union;

(d) A depository organization that does not do business within the United States except as an incident to its activities outside the United States;

(e) A State-chartered savings and loan guaranty corporation;

(f) A Federal Home Loan bank or any other bank organized solely to serve depository institutions (a bankers' bank) or solely for the purpose of providing securities clearing services and services related thereto for depository institutions and securities companies;

(g) A depository organization that is closed or is in danger of closing as determined by the appropriate Federal depository institutions regulatory agency and is acquired by another depository organization. This exemption lasts for five years, beginning on the date the depository organization is acquired;

(h) A savings association whose acquisition has been authorized on an emergency basis in accordance with section 13(k) of the Federal Deposit Insurance Act (12 U.S.C. 1823(k)) with resulting dual service by a management official that would otherwise be prohibited under the Interlocks Act which may continue for up to 10 years from the date of the acquisition provided that the FDIC has given its approval for the continuation of such service;

(i)(1) A diversified savings and loan holding company (as defined in section 10(a)(1)(F) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)(1)(F))) with respect to the service of a director of such company who is also a director of an unaffiliated depository organization if:

(i) Both the diversified savings and loan holding company and the unaffiliated depository organization notify their appropriate Federal depository institutions regulatory agency at least 60 days before the dual service is proposed to begin; and

(ii) The appropriate regulatory agency does not disapprove the dual service before the end of the 60-day period.

(2) The FDIC may disapprove a notice of proposed service if it finds that:

(i) The service cannot be structured or limited so as to preclude an

anticompetitive effect in financial services in any part of the United States;

(ii) The service would lead to substantial conflicts of interest or unsafe or unsound practices; or

(iii) The notificant failed to furnish all the information required by the FDIC.

(3) The FDIC may require that any interlock permitted under this paragraph (h) be terminated if a change in circumstances occurs with respect to one of the interlocked depository organizations that would have provided a basis for disapproval of the interlock during the notice period; and

(j) Any FDIC-supervised institution which is a State savings association that has issued stock in connection with a qualified stock issuance pursuant to section 10(q) of the Home Owners' Loan Act, except that this paragraph (j) shall apply only with regard to service as a single management official of such State savings association or any subsidiary of such State savings association by a single management official of a savings and loan holding company which purchased the stock issued in connection with such qualified stock issuance, and shall apply only when the FDIC has determined that such service is consistent with the purposes of the Interlocks Act and the Home Owners' Loan Act.

#### § 348.5 Small market share exemption.

(a) Exemption. A management interlock that is prohibited by § 348.3 is permissible, if:

(1) The interlock is not prohibited by § 348.3(c); and

(2) The depository organizations (and their depository institution affiliates) hold, in the aggregate, no more than 20 percent of the deposits in each RMSA or community in which both depository organizations (or their depository institution affiliates) have offices. The amount of deposits shall be determined by reference to the most recent annual Summary of Deposits published by the FDIC for the RMSA or community.

(b) Confirmation and records. Each depository organization must maintain records sufficient to support its determination of eligibility for the exemption under paragraph (a) of this section, and must reconfirm that determination on an annual basis.

#### § 348.6 General exemption.

(a) Exemption. The FDIC may by agency order exempt an interlock from the prohibitions in § 348.3 if the FDIC finds that the interlock would not result in a monopoly or substantial lessening of competition and would not present safety and soundness concerns.

(b) Presumptions. In reviewing an application for an exemption under this section, the FDIC will apply a rebuttable presumption that an interlock will not result in a monopoly or substantial lessening of competition if the depository organization seeking to add a management official:

(1) Primarily serves low- and moderate-income areas;

(2) Is controlled or managed by persons who are members of a minority group, or women;

(3) Is a depository institution that has been chartered for less than two years; or

(4) Is deemed to be in "troubled condition" as defined in § 303.101(c).

(c) Duration. Unless a shorter expiration period is provided in the FDIC approval, an exemption permitted by paragraph (a) of this section may continue so long as it does not result in a monopoly or substantial lessening of competition, or is unsafe or unsound. If the FDIC grants an interlock exemption in reliance upon a presumption under paragraph (b) of this section, the interlock may continue for three years, unless otherwise provided by the FDIC in writing.

(d) Procedures. Procedures for applying for an exemption under this section are set forth in 12 CFR 303.249.

#### § 348.7 Change in circumstances.

(a) Termination. A management official shall terminate his or her service or apply for an exemption if a change in circumstances causes the service to become prohibited. A change in circumstances may include an increase in asset size of an organization, a change in the delineation of the RMSA or community, the establishment of an office, an increase in the aggregate deposits of the depository organization, or an acquisition, merger, consolidation, or reorganization of the ownership structure of a depository organization that causes a previously permissible interlock to become prohibited.

(b) Transition period. A management official described in paragraph (a) of this section may continue to serve the FDIC-supervised institution involved in the interlock for 15 months following the date of the change in circumstances. The FDIC may shorten this period under appropriate circumstances.

#### § 348.8 Enforcement.

Except as provided in this section, the FDIC administers and enforces the Interlocks Act with respect to FDIC-supervised institutions and their affiliates and may refer any case of a prohibited interlocking relationship involving these entities to the Attorney

General of the United States to enforce compliance with the Interlocks Act and this part. If an affiliate of an FDIC-supervised institution is subject to the primary regulation of another federal depository organization supervisory agency, then the FDIC does not administer and enforce the Interlocks Act with respect to that affiliate.

**PART 390—REGULATIONS TRANSFERRED FROM THE OFFICE OF THRIFT SUPERVISION**

**Subpart V—Management Official Interlocks**

■ 2. The authority citation for part 390 is revised to read as follows:

**Authority:** 12 U.S.C. 1819.

Subpart F also issued under 5 U.S.C. 552; 559; 12 U.S.C. 2901 *et seq.*

Subpart G also issued under 12 U.S.C. 2810 *et seq.*, 2901 *et seq.*; 15 U.S.C. 1691; 42 U.S.C. 1981, 1982, 3601–3619.

Subpart I also issued under 12 U.S.C. 1831x.

Subpart J also issued under 12 U.S.C. 1831p–1.

Subpart L also issued under 12 U.S.C. 1831p–1.

Subpart M also issued under 12 U.S.C. 1818.

Subpart O also issued under 12 U.S.C. 1828.

Subpart P also issued under 12 U.S.C. 1470; 1831e; 1831n; 1831p–1; 3339.

Subpart Q also issued under 12 U.S.C. 1462; 1462a; 1463; 1464.

Subpart R also issued under 12 U.S.C. 1463; 1464; 1831m; 1831n; 1831p–1.

Subpart S also issued under 12 U.S.C. 1462; 1462a; 1463; 1464; 1468a; 1817; 1820;

1828; 1831e; 1831o; 1831p–1; 1881–1884; 3207; 3339; 15 U.S.C. 78b; 78 l; 78m; 78n; 78p; 78q; 78w; 31 U.S.C. 5318; 42 U.S.C. 4106.

Subpart T also issued under 12 U.S.C. 1462a; 1463; 1464; 15 U.S.C. 78c; 78l; 78m; 78n; 78w.

Subpart U also issued under 12 U.S.C. 1462a; 1463; 1464; 15 U.S.C. 78c; 78l; 78m; 78n; 78p; 78w; 78d–1; 7241; 7242; 7243; 7244; 7261; 7264; 7265.

Subpart W also issued under 12 U.S.C. 1462a; 1463; 1464; 15 U.S.C. 78c; 78l; 78m; 78n; 78p; 78w.

Subpart X also issued under 12 U.S.C. 1462; 1462a; 1463; 1464; 1828; 3331 *et seq.*

Subpart Y also issued under 12 U.S.C. 1831o.

Subpart Z also issued under 12 U.S.C. 1462; 1462a; 1463; 1464; 1828 (note).

**Subpart V—[Removed and reserved]**

■ 3. Remove and reserve subpart V consisting of §§ 390.400 through 390.408.

Dated at Washington, DC, this 15th day of December 2015.

By order of the Board of Directors.

Federal Deposit Insurance Corporation.

**Robert E. Feldman,**

*Executive Secretary.*

[FR Doc. 2015–31940 Filed 12–18–15; 8:45 am]

**BILLING CODE 6714–01–P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

**14 CFR Part 11**

[Docket No.: FAA–2015–7396; Amdt. No. 11–58]

**RIN 2120–AK82**

**Registration and Marking Requirements for Small Unmanned Aircraft**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule; OMB approval of information collection.

**SUMMARY:** This document notifies the public of the Office of Management and Budget’s (OMB’s) approval of the information collection requirement contained in the FAA’s interim final rule, Registration and Marking Requirements for Small Unmanned Aircraft, which was published on December 16, 2015.

**DATES:** Effective December 21, 2015.

**FOR FURTHER INFORMATION CONTACT:** Earl Lawrence, Director, FAA UAS Integration Office, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267–6556; email [UASRegistration@faa.gov](mailto:UASRegistration@faa.gov).

**SUPPLEMENTARY INFORMATION:** On December 16, 2015, the Department of Transportation and the Federal Aviation Administration published the interim final rule Registration and Marking Requirements for Small Unmanned Aircraft (80 FR 78593). That rule provided an alternative, streamlined and simple, web-based aircraft registration process for the registration of small unmanned aircraft, including small unmanned aircraft operated as model aircraft, to facilitate compliance with the statutory requirement that all aircraft register prior to operation.

That rule contained an information collection, Registration of Small Unmanned Aircraft. That information collection requirement had not been approved by OMB at the time of publication of the interim final rule.

In accordance with the Paperwork Reduction Act, the FAA submitted a copy of the new information collection requirements to OMB for its review. OMB approved the collection on

December 16, 2015, and assigned the information collection OMB Control Number 2120–0765. This final rule provides the control number of that information collection and adds the information collection to the list of FAA’s approved information collections in 14 CFR part 11.

**List of Subjects in 14 CFR Part 11**

Administrative practice and procedure, Reporting and recordkeeping requirements.

**The Amendment**

In consideration of the foregoing, the Federal Aviation Administration amends chapter I of title 14, Code of Federal Regulations as follows:

**PART 11—GENERAL RULEMAKING PROCEDURES**

■ 1. The authority citation for part 11 continues to read as follows:

**Authority:** 49 U.S.C. 106(f), 106(g), 40101, 40103, 40105, 40109, 40113, 44110, 44502, 44701–44702, 44711, and 46102.

■ 2. In § 11.201, amend paragraph (b) by adding an entry for part 48 to read as follows:

**§ 11.201 Office of Management and Budget (OMB) control numbers assigned under the Paperwork Reduction Act.**

\* \* \* \* \*  
(b) \* \* \*

14 CFR part or section identified and described	Current OMB control No.
* * * * *	* * * * *
Part 48 .....	2120–0765
* * * * *	* * * * *

Issued in Washington, DC, under the authority of 49 U.S.C. 106(f), on December 16, 2015.

**Lirio Liu,**

*Director, Office of Rulemaking.*

[FR Doc. 2015–31993 Filed 12–18–15; 8:45 am]

**BILLING CODE 4910–13–P**