

Federal Reserve System

§ 211.28

consider additional factors, including whether—

(A) Any of the individual components of the ROCA supervisory rating of a branch or agency of a foreign bank is rated “3” or worse;

(B) The results of any off-site surveillance indicate a deterioration in the condition of the office;

(C) The size, relative importance, and role of a particular office when reviewed in the context of the foreign bank’s entire U.S. operations otherwise necessitate an annual examination; and

(D) The condition of the foreign bank gives rise to such a need.

(iii)(A) Except as provided in paragraph (c)(2)(iii)(B) of this section, from December 2, 2020 through December 31, 2021, for purposes of determining eligibility for the extended examination cycle described in paragraph (c)(2) of this section, the total assets of a branch or agency shall be determined based on the lesser of:

(1) The total assets of the branch or agency as of December 31, 2019; and

(2) The total assets of the branch or agency as of the end of the most recent calendar quarter.

(B) The relief provided under paragraph (c)(2)(iii)(A) of this section does not apply to a branch or agency if the Board determines that permitting the branch or agency to determine its assets in accordance with that paragraph would not be commensurate with the risk profile of the branch or agency. When making this determination, the Board will consider all relevant factors, including the extent of asset growth of the branch or agency since December 31, 2019; the causes of such growth, including whether growth occurred as a result of mergers or acquisitions; whether such growth is likely to be temporary or permanent; whether the branch or agency has become involved in any additional activities since December 31, 2019; the asset size of any parent companies; and the type of assets held by the branch or agency. In making a determination pursuant to this paragraph (c)(2)(iii)(B), the Board will apply notice and response procedures in the same manner and to the same extent as the notice and response procedures in 12 CFR 263.202.

(3) *Authority to conduct more frequent examinations.* Nothing in paragraphs (c)(1) and (2) of this section limits the authority of the Board to examine any U.S. branch or agency of a foreign bank as frequently as it deems necessary.

[Reg. K, 66 FR 54374, Oct. 26, 2001, as amended at 72 FR 17802, Apr. 10, 2007; 81 FR 10069, Feb. 29, 2016; 83 FR 43965, Aug. 29, 2018; 85 FR 77360, Dec. 2, 2020]

§ 211.27 Disclosure of supervisory information to foreign supervisors.

(a) *Disclosure by Board.* The Board may disclose information obtained in the course of exercising its supervisory or examination authority to a foreign bank regulatory or supervisory authority, if the Board determines that disclosure is appropriate for bank supervisory or regulatory purposes and will not prejudice the interests of the United States.

(b) *Confidentiality.* Before making any disclosure of information pursuant to paragraph (a) of this section, the Board shall obtain, to the extent necessary, the agreement of the foreign bank regulatory or supervisory authority to maintain the confidentiality of such information to the extent possible under applicable law.

§ 211.28 Provisions applicable to branches and agencies: limitation on loans to one borrower.

(a) *Limitation on loans to one borrower.* Except as provided in paragraph (b) of this section, the total loans and extensions of credit by all the state branches and state agencies of a foreign bank outstanding to a single borrower at one time shall be aggregated with the total loans and extensions of credit by all federal branches and federal agencies of the same foreign bank outstanding to such borrower at the time; and shall be subject to the limitations and other provisions of section 5200 of the Revised Statutes (12 U.S.C. 84), and the regulations promulgated thereunder, in the same manner that extensions of credit by a federal branch or federal agency are subject to section 4(b) of the IBA (12 U.S.C. 3102(b)) as if such state branches and state agencies were federal branches and federal agencies.

(b) *Preexisting loans and extensions of credit.* Any loans or extensions of credit