

(i) if such standard is established by regulation, the Director shall require the regulated entity to submit an acceptable plan to the Director within the time allowed under subparagraph (C); and

(ii) if such standard is established by guideline, the Director may require the regulated entity to submit a plan described in clause (i).

**(B) Contents**

Any plan required under subparagraph (A) shall specify the actions that the regulated entity will take to correct the deficiency. If the regulated entity is undercapitalized, the plan may be a part of the capital restoration plan for the regulated entity under section 4622 of this title.

**(C) Deadlines for submission and review**

The Director shall by regulation establish deadlines that—

(i) provide the regulated entities with reasonable time to submit plans required under subparagraph (A), and generally require a regulated entity to submit a plan not later than 30 days after the Director determines that the entity fails to meet any standard established under subsection (a); and

(ii) require the Director to act on plans expeditiously, and generally not later than 30 days after the plan is submitted.

**(2) Required order upon failure to submit or implement plan**

If a regulated entity fails to submit an acceptable plan within the time allowed under paragraph (1)(C), or fails in any material respect to implement a plan accepted by the Director, the following shall apply:

**(A) Required correction of deficiency**

The Director shall, by order, require the regulated entity to correct the deficiency.

**(B) Other authority**

The Director may, by order, take one or more of the following actions until the deficiency is corrected:

(i) Prohibit the regulated entity from permitting its average total assets (as such term is defined in section 4516(b) of this title) during any calendar quarter to exceed its average total assets during the preceding calendar quarter, or restrict the rate at which the average total assets of the entity may increase from one calendar quarter to another.

(ii) Require the regulated entity—

(I) in the case of an enterprise, to increase its ratio of core capital to assets.

(II) in the case of a Federal Home Loan Bank, to increase its ratio of total capital (as such term is defined in section 1426(a)(5) of this title) to assets.

(iii) Require the regulated entity to take any other action that the Director determines will better carry out the purposes of this section than any of the actions described in this subparagraph.

**(3) Mandatory restrictions**

In complying with paragraph (2), the Director shall take one or more of the actions de-

scribed in clauses (i) through (iii) of paragraph (2)(B) if—

(A) the Director determines that the regulated entity fails to meet any standard prescribed under subsection (a);

(B) the regulated entity has not corrected the deficiency; and

(C) during the 18-month period before the date on which the regulated entity first failed to meet the standard, the entity underwent extraordinary growth, as defined by the Director.

**(c) Other enforcement authority not affected**

The authority of the Director under this section is in addition to any other authority of the Director.

(Pub. L. 102-550, title XIII, § 1313B, as added Pub. L. 110-289, div. A, title I, § 1108, July 30, 2008, 122 Stat. 2672.)

**Editorial Notes**

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(7), was in the original “this title”, meaning title XIII of Pub. L. 102-550, Oct. 28, 1992, 106 Stat. 3941, which is classified principally to this chapter. For complete classification of title XIII to the Code, see Short Title note set out under section 4501 of this title and Tables.

**§ 4514. Authority to require reports by regulated entities**

**(a) Regular and special reports**

**(1) Regular reports**

The Director may require, by general or specific orders, a regulated entity to submit regular reports, including financial statements determined on a fair value basis, on the condition (including financial condition), management, activities, or operations of the regulated entity, as the Director considers appropriate (in addition to the annual and quarterly reports required under section 1723a(k) of this title and section 1456(c) of this title).

**(2) Special reports**

The Director may also require, by general or specific orders, a regulated entity to submit special reports on any of the topics specified in paragraph (1) or any other relevant topics, if, in the judgment of the Director, such reports are necessary to carry out the purposes of this chapter.

**(3) Limitation**

The Director may not require the inclusion, in any report pursuant to paragraph (1) or (2), of any information that is not reasonably obtainable by the regulated entity.

**(4) Notice and declaration**

The Director shall notify the regulated entity, a reasonable period in advance of the date for submission of any report under this subsection, of any specific information to be contained in the report and the date for the submission of the report. Each report under this subsection shall contain a declaration by the president, vice president, treasurer, or any other officer designated by the board of directors of the regulated entity to make such dec-

laration, that the report is true and correct to the best of such officer's knowledge and belief.

**(b) Capital distributions**

The Director may require a regulated entity to submit a report to the Director after the declaration of any capital distribution by the regulated entity and before making the capital distribution. The report shall be made in such form and under such circumstances and shall contain such information as the Director shall require.

**(c) Penalties for failure to make reports**

**(1) Violations**

It shall be a violation of this section for any regulated entity—

(A) to fail to make, transmit, or publish any report or obtain any information required by the Director under this section, section 1723a(k) of this title, section 1456(c) of this title, or section 1440 of this title, within the period of time specified in such provision of law or otherwise by the Director; or

(B) to submit or publish any false or misleading report or information under this section.

**(2) Penalties**

**(A) First tier**

**(i) In general**

A violation described in paragraph (1) shall be subject to a penalty of not more than \$2,000 for each day during which such violation continues, in any case in which—

(I) the subject regulated entity maintains procedures reasonably adapted to avoid any inadvertent error and the violation was unintentional and a result of such an error; or

(II) the violation was an inadvertent transmittal or publication of any report which was minimally late.

**(ii) Burden of proof**

For purposes of this subparagraph, the regulated entity shall have the burden of proving that the error was inadvertent or that a report was inadvertently transmitted or published late.

**(B) Second tier**

A violation described in paragraph (1) shall be subject to a penalty of not more than \$20,000 for each day during which such violation continues or such false or misleading information is not corrected, in any case that is not addressed in subparagraph (A) or (C).

**(C) Third tier**

A violation described in paragraph (1) shall be subject to a penalty of not more than \$1,000,000 per day for each day during which such violation continues or such false or misleading information is not corrected, in any case in which the subject regulated entity committed such violation knowingly or with reckless disregard for the accuracy of any such information or report.

**(3) Assessments**

Any penalty imposed under this subsection shall be in lieu of a penalty under section 4636

of this title, but shall be assessed and collected by the Director in the manner provided in section 4636 of this title for penalties imposed under that section, and any such assessment (including the determination of the amount of the penalty) shall be otherwise subject to the provisions of section 4636 of this title.

**(4) Hearing**

A regulated entity against which a penalty is assessed under this section shall be afforded an agency hearing if the regulated entity submits a request for a hearing not later than 20 days after the date of the issuance of the notice of assessment. Section 4634 of this title shall apply to any such proceedings.

(Pub. L. 102-550, title XIII, § 1314, Oct. 28, 1992, 106 Stat. 3946; Pub. L. 110-289, div. A, title I, § 1104(a), July 30, 2008, 122 Stat. 2666.)

**Editorial Notes**

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(2), was in the original “this title”, meaning title XIII of Pub. L. 102-550, Oct. 28, 1992, 106 Stat. 3941, which is classified principally to this chapter. For complete classification of title XIII to the Code, see Short Title note set out under section 4501 of this title and Tables.

**AMENDMENTS**

2008—Pub. L. 110-289, § 1104(a)(1), substituted “regulated entities” for “enterprises” in section catchline.

Subsec. (a). Pub. L. 110-289, § 1104(a)(4)(A), substituted “Regular and special reports” for “Special reports and reports of financial condition” in subsec. heading, “Regular reports” for “Financial condition” in par. (1) heading, and “The Director may require, by general or specific orders, a regulated entity to submit regular reports, including financial statements determined on a fair value basis, on the condition (including financial condition), management, activities, or operations of the regulated entity, as the Director considers appropriate” for “The Director may require an enterprise to submit reports of financial condition and operations” in par. (1).

Subsec. (a)(2). Pub. L. 110-289, § 1104(a)(4)(B), inserted “, by general or specific orders,” after “may also require” and substituted “on any of the topics specified in paragraph (1) or any other relevant topics, if” for “whenever”.

Pub. L. 110-289, § 1104(a)(2), substituted “a regulated entity” for “an enterprise”.

Subsec. (a)(3), (4). Pub. L. 110-289, § 1104(a)(3), which directed amendment of this section by substituting “the regulated entity” for “the enterprise”, was executed by making the substitution wherever appearing to reflect the probable intent of Congress.

Subsec. (b). Pub. L. 110-289, § 1104(a)(3), which directed amendment of this section by substituting “the regulated entity” for “the enterprise”, was executed by making the substitution wherever appearing to reflect the probable intent of Congress.

Pub. L. 110-289, § 1104(a)(2), substituted “a regulated entity” for “an enterprise”.

Subsec. (c). Pub. L. 110-289, § 1104(a)(5), added subsec. (c).

**§ 4514a. Study and reports on guarantee fees**

**(a) Ongoing study of fees**

The Director shall conduct an ongoing study of fees charged by enterprises for guaranteeing a mortgage.

**(b) Collection of data**

The Director shall, by regulation or order, establish procedures for the collection of data