



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency
[Docket ID OCC-2018-0012]

FEDERAL RESERVE SYSTEM
[Docket No. OP-1609]

FEDERAL DEPOSIT INSURANCE CORPORATION

Policy Statement on Interagency Notification of Formal Enforcement Actions

AGENCIES: Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); and Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice of policy statement.

SUMMARY: The Federal Financial Institutions Examination Council has rescinded its Revised Policy Statement on “Interagency Coordination of Formal Corrective Action by the Federal Bank Regulatory Agencies” dated February 20, 1997. To assure ongoing coordination, the Board, the FDIC, and the OCC (collectively, “the Federal Banking Agencies” or “FBAs”) are issuing this policy statement concerning Federal Banking Agency coordination of formal corrective action.

DATES: Applicable on **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

FOR FURTHER INFORMATION CONTACT:

OCC: Jessica Burrell, Counsel, Enforcement and Compliance, (202-649-6200); William Jacquet, Assistant Director, Enforcement and Compliance, (202-649-6200). For the hearing impaired, TTY (202) 649-5597.

Board: Jason Gonzalez, Special Counsel, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551. For the hearing impaired or users of Telecommunication Device for Deaf (TDD) only, call (202) 263-4869.

FDIC: Sam Ozeck, Legal Division (202) 898-6736; George Parkerson, Division of Risk Management Supervision,(202) 898-3648.

SUPPLEMENTARY INFORMATION: The Federal Banking Agencies are issuing this policy statement concerning their coordination of formal corrective action.

The text of the policy statement is as follows:

Policy Statement on Interagency Notification of Formal Enforcement Actions

The FBAs are issuing this policy statement to promote notification of, and coordination on, formal enforcement actions among the FBAs at the earliest practicable date. This statement replaces the existing policy statement¹ to incorporate and reflect current practices and is not intended as a substitute for informal communication that routinely occurs among the FBAs in advance of an enforcement action, including verbal notification of pending enforcement matters to officials and staff with supervisory and enforcement responsibility for the affected institution.

When an FBA determines it will take a formal enforcement action against any federally insured depository institution, depository institution holding company, non-bank affiliate, or institution-affiliated party, it should evaluate whether the enforcement

¹ See 62 FR 7782 (Feb. 20, 1997).

action involves the interests of another FBA. Examples of such interests include unsafe or unsound practices or significant violations of law by an insured depository institution, non-bank affiliate, or depository institution holding company or misconduct by an institution-affiliated party that may have significant connections with an institution regulated by another FBA.

If it is determined that one or more other FBAs have an interest in the enforcement action, the FBA proposing the enforcement action should notify the other FBA(s). Notification should be provided at the earlier of the FBA's written notification to the federally insured depository institution, depository institution holding company, non-bank affiliate, or institution-affiliated party against which the FBA is considering an enforcement action or when the appropriate responsible agency official, or group of officials, determines that formal enforcement action is expected to be taken.

The scope of the information shared by the notification may depend on the gravity of the interests of the other FBA(s) and be determined on a case-by-case basis by the FBA providing the notification. The information shared, however, should be appropriate to allow the other FBA(s) to take necessary action in examining or investigating the financial institution or institution-affiliated party over which they have jurisdiction. If two or more FBAs consider bringing a complementary action (e.g., action involving a bank and its parent holding company), those FBAs should coordinate the preparation, processing, presentation, potential penalties, service, and follow-up of the enforcement action.

Dated: June 6, 2018.

Joseph M. Otting,

Comptroller of the Currency.

By order of the Board of Governors of the Federal Reserve System, June 4, 2018.

Anne E. Misback,

Secretary of the Board.

Dated at Washington, D.C., this day of March 20, 2018.

FEDERAL DEPOSIT INSURANCE CORPORATION

Valerie J. Best,

Assistant Executive Secretary.

Billing Codes

OCC: 4810-33-P 1/3

Board: 6210-01-P 1/3

FDIC: 6714-01-P 1/3

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