



[BILLING CODE: 4810-033-P]

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Information Collection Renewal; Comment Request; Recordkeeping Requirements for Securities Transactions

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC 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 OCC is soliciting comment concerning the renewal of its information collection titled, “Recordkeeping Requirements for Securities Transactions.”

DATES: Comments must be received on or before [INSERT 60 DAYS FROM DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

ADDRESSES: Commenters are encouraged to submit comments by e-mail, if possible. You may submit comments by any of the following methods:

- E-mail: prainfo@occ.treas.gov.
- Mail: Chief Counsel’s Office, Attention: Comment Processing, 1557-0142, Office of the Comptroller of the Currency, 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- Hand Delivery/Courier: 400 7th Street, SW., suite 3E-218, Washington, DC 20219.

- Fax: (571) 465-4326.

Instructions: You must include “OCC” as the agency name and “1557-0142” in your comment. In general, the OCC will publish comments on *www.reginfo.gov* without change, including any business or personal information provided, such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this information collection beginning on the date of publication of the second notice for this collection¹ by any of the following methods:

- **Viewing Comments Electronically:** Go to *www.reginfo.gov*. Click on the “Information Collection Review” tab. Underneath the “Currently under Review” section heading, from the drop-down menu select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “1557-0142” or “Recordkeeping Requirements for Securities Transactions.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.
- For assistance in navigating *www.reginfo.gov*, please contact the Regulatory Information Service Center at (202) 482-7340.

¹ Following the close of this notice’s 60-day comment period, the OCC will publish a second notice with a 30-day comment period.

- **Viewing Comments Personally:** You may personally inspect comments at the OCC, 400 7th Street, SW., Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700 or, for persons who are deaf or hearing impaired, TTY, (202) 649-5597. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect comments.

FOR FURTHER INFORMATION CONTACT: Shaquita Merritt, OCC Clearance Officer, (202) 649-5490, for persons who are deaf or hard of hearing, TTY, (202) 649-5597, Chief Counsel's Office, Office of the Comptroller of the Currency, 400 7th Street, SW., suite 3E-218, Washington, DC 20219.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of title 44 requires Federal agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, the OCC is publishing notice of the renewal of this collection of information.

Title: Recordkeeping Requirements for Securities Transactions.

OMB Number: 1557-0142.

Description: The information collection requirements in 12 CFR parts 12 and 151 are required to ensure that national banks and Federal savings associations comply with securities laws

and to improve the protections afforded to persons who purchase and sell securities through these financial institutions. Parts 12 and 151 establish recordkeeping and confirmation requirements applicable to certain securities transactions effected by national banks or Federal savings associations for customers. The transaction confirmation information required by these regulations ensures that customers receive a record of each securities transaction and that both financial institutions and the OCC have the records necessary to monitor compliance with securities laws and regulations. The OCC uses the required information in the course of its examinations to evaluate, among other things, an institution's compliance with the antifraud provisions of the Federal securities laws.

The information collection requirements contained in 12 CFR parts 12 and 151 are as follows:

- 12 CFR 12.3 requires a national bank effecting securities transactions for customers to maintain certain records for at least three years. 12 CFR 12.3(b) provides that the records required by this section must clearly and accurately reflect the information required and provide an adequate basis for the audit of the information.
- 12 CFR 151.50 requires a Federal savings association effecting securities transactions for customers to maintain certain records for at least three years. 12 CFR 151.60 provides that the records required by 12 CFR 151.50 must clearly and accurately reflect the information required and provide an adequate basis for audit of the information.
- 12 CFR 12.4 requires a national bank to give or send to the customer a written notification of the transaction at or before completion of the securities transaction or, if using a confirmation from a registered broker/dealer, to send a copy of that confirmation within one business day from the bank's receipt of the confirmation from the broker

dealer. Section 12.4 also establishes the required minimum disclosures for a customer's securities transactions.

- 12 CFR 151.70 requires a Federal savings association that effects a securities transaction for a customer to give or send that customer a written notice of the transaction or give or send the customer the registered broker-dealer confirmation. 12 CFR 151.80 establishes when a Federal savings association must provide notice if it elects to comply with § 151.70 by using a broker-dealer confirmation and also requires the Federal savings association to provide a statement of the source and amount of any remuneration it has received or will receive in connection with the transaction, unless it has determined remuneration in a written agreement with the customer. 12 CFR 151.90 establishes when a Federal savings association must provide notice if it elects to comply with § 151.70 by providing the customer with a written notice and establishes the minimum disclosures that must be included in that notice. 12 CFR 151.90 requires a Federal savings association to give or send the written notice to the customer at or before the completion of the securities transaction.
- 12 CFR 12.5 sets forth notification procedures that a national bank may elect to use, as an alternative to complying with § 12.4, to notify customers of securities transactions for accounts in which the bank does not exercise investment discretion, trust transactions, agency transactions, and certain periodic plan transactions.
- 12 CFR 151.100 describes notification procedures that a Federal savings association may use, as an alternative to complying with 12 CFR 151.70, for customer accounts in which the savings association does not exercise investment discretion, certain accounts for which it exercises investment discretion in other than an agency capacity, trust

transactions, agency transactions, certain periodic plan transactions, collective investment fund transactions, and money market funds.

- 12 CFR 12.7(a) requires national banks to maintain and adhere to policies and procedures that assign responsibility for supervision of employees who perform certain securities trading functions; provide for the fair and equitable allocation of securities and prices to accounts for certain types of orders; provide for crossing of buy and sell orders on a fair and equitable basis to the parties to the transaction, where permissible under applicable law; and require certain officers and employees to report to the bank all personal transactions in securities made by them or on their behalf in which they have a beneficial interest.
- 12 CFR 151.140 requires Federal savings associations that effect securities transactions for customers to maintain and follow policies and procedures and sets forth the minimum requirements for such policies and procedures. These policies and procedures must assign responsibility for the supervision of employees who perform certain securities trading functions; provide for the fair and equitable allocation of securities and prices to accounts for certain types of orders; provide for crossing of buy and sell orders on a fair and equitable basis to the parties to the transaction, where permissible under applicable law; and require certain officers and employees to file personal securities trading reports as required by 12 CFR 151.150.
- 12 CFR 12.7(a)(4) requires certain national bank officers and employees involved in the securities trading process to report to the bank all personal transactions in securities made by them or on their behalf in which they have a beneficial interest.

- 12 CFR 151.150 requires certain Federal savings association officers and employees to report to the savings association personal transactions in securities made by them or on their behalf in which they have a beneficial interest. 12 CFR 151.150(a) sets forth the information to be included in the report and requires the report to be filed no later than 30 days after the end of each calendar quarter. 12 CFR 12.8 requires a national bank seeking a waiver of one or more of the requirements of 12 CFR 12.2 through 12.7 to file a written request for waiver with the OCC.

Type of Review: Regular.

Affected Public: Businesses or other for-profit.

Estimated Number of Respondents: 355.

Estimated Frequency of Response: On occasion.

Estimated Total Annual Burden: 1,718 hours.

Comments submitted in response to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record.

Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC's estimate of the burden of the collection of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information

technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: January 15, 2020.

Theodore J. Dowd,
Deputy Chief Counsel,
Office of the Comptroller of the Currency.

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