

December 4, 2018

**MEMORANDUM TO:** Board of Directors

**FROM:** Doreen R. Eberley  
Director, Division of Risk Management Supervision

**SUBJECT:** Final Rule: Technical Amendments to Depository Institutions Management Interlocks Act (DIMIA) Regulations

**Summary of Recommendation**

Staff recommends that the FDIC's Board of Directors approve the attached Final Rule (FR), entitled Depository Institution Management Interlocks Act: Technical Amendments, for publication in the *Federal Register*. The FR would be promulgated in connection with an adjustment of the major assets prohibition thresholds of the Depository Institutions Management Interlocks Act (DIMIA) (12 U.S.C. §§ 3201 *et seq.*) to be proposed jointly by the FDIC with the OCC and the Federal Reserve. Staff recommends that the Board of Directors use this opportunity to make two technical corrections to FDIC Regulations, both pertaining to DIMIA implementation, by means of a separate final rule without notice and comment. Staff is of the opinion that good cause exists to publish this rule as final without a period of notice and comment and with an effective date as of the date of its publication in the Federal Register. The FR will only make technical corrections and in no way affects or changes any substantive requirements under the DIMIA or its implementing regulation.

The FR would be issued solely by the FDIC.

**SUPPLEMENTARY INFORMATION:**

**Rule Summary**

The first technical correction pertains to 12 C.F.R. § 303.249 and would correct an erroneous statement. The second pertains to 12 C.F.R. § 348.4(i) and would correct a citation.

**CONCUR:**

Charles Yi  
General Counsel  
Legal Division

## **1. Correct Erroneous Statement in 12 C.F.R. § 303.249(c)(3)**

12 C.F.R. Part 303 of FDIC Regulations pertains to filing procedures. Section 303.249(c)(3) currently states that an applicant seeking an exemption under either section 348.5 or 348.6 of the FDIC DIMIA regulation needs to provide certain information in connection with an application for an interlocks exemption. The reference to section 348.5 is wrong. This section pertains to the small market share exemption, which was specifically designed by the Federal depository institutions regulatory agencies to be self-executing, that is, an application to the FDIC is not required for the exemption to be effective.<sup>1</sup> The incorrect statement would therefore be removed.

## **2. Correct Erroneous Citation in 12 C.F.R. § 348.4(i)**

Section 348.4 pertains to statutory exemptions from the Interlocks Act prohibitions. Subsection 348.4(i) sets forth the exemption for a management interlock where a director of an unaffiliated depository organization serves as a management official of a diversified savings and loan holding company as that term is defined in section 10(a)(1)(F) of the Home Owners' Loan Act (12 U.S.C. § 1467a(a)(1)(F)). Subsection 348.4(i)(3) incorrectly refers to preceding paragraph (h) when it should refer to paragraph (i). This incorrect citation would therefore be corrected.

### **Effective Date**

As noted previously, these two changes to the FDIC Regulations are technical, done to correct an erroneous statement and a citation. Since these are merely technical amendments, public notice and comment is unnecessary nor is there any need for a delayed effective date. Thus, if approved by the Board of Directors, the FR would be effective immediately upon the date of publication in the *Federal Register*.

### **Recommendation**

Staff recommends that the Board approve the attached Resolution to authorize publication of the attached FR entitled *Final Rule: Technical Amendments to Interlocks Regulations* in the *Federal Register*.

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Legal Contact: Mark Mellon, Counsel, (202) 898-3884

Attachments

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<sup>1</sup> See 64 Federal Register at 51676 (Sep. 24, 1999).