

I. INTRODUCTION

Section 303.247 of the FDIC Rules and Regulations sets forth the application requirements for a depository institution to request permission to continue or resume its status as an insured depository institution (IDI) after its insured status has been terminated under Section 8 of the Federal Deposit Insurance (FDI) Act. For example, an institution that has had its insured status involuntarily terminated pursuant to Section 8(a) of the FDI Act could have taken corrective action to address the conditions giving rise to the involuntary termination and could seek permission to continue or resume its insured status. This Section covers institutions whose deposit insurance continues in effect for any purpose or for any length of time under the terms of an FDIC Order terminating deposit insurance.¹ This Section does not cover operating non-insured depository institutions that were previously insured by the FDIC, or any non-insured, non-operating depository institution whose charter has not been surrendered or revoked.

Case Managers must consult with the Washington Office (WO) Risk Management and Applications Section (RMAS) on any application related to a state savings association to ensure that appropriate procedures and timelines are followed. Refer to *Applications Overview*, Section 1.1 of these Procedures, for general information regarding applications or notices involving state savings associations.

II. FORM OF APPLICATION

Applicants should submit a letter application to the appropriate Regional Office (RO) pursuant to Section 303.247 of the FDIC Rules and Regulations. Case Managers should ensure that the application contains:

1. A complete statement of the action requested, all relevant facts, and the reason for the requested action; and,
2. A certified copy of the resolution of the depository institution's board of directors authorizing submission of the filing.

The FDIC may request additional information at any time during processing of the application.

III. ACCEPTING AND PROCESSING THE APPLICATION

Case Managers should review and process applications following the steps below. Refer to *Applications Overview*, Section 1.1 of these Procedures, for general information regarding receipt and acceptance of applications.² The WO Risk Management and Applications Section (RMAS) and Legal, should be notified and consulted immediately upon receipt of this type of application.

1. The application should be entered into the system of record within three business days of receipt. In all cases, dates and comments in the record are to be updated regularly to reflect the current status of the application.

¹ Termination of Insurance Orders are issued pursuant to Sections 8(a), 8(p), and 8(q) of the FDI Act..

² Case Managers are to read and follow the general guidance and expectations for all applications regarding receipt and acceptance, recordkeeping responsibilities, DCP notifications, WO action or input, delegations, and other applicable instructions in in *Applications Overview*, Section 1.1 of these Procedures.

2. Perform an initial review of all materials for completeness, and request additional information if necessary. Other applicable state and federal regulators and the WO should be copied on all pertinent correspondence related to the application.
3. Analyze the application and complete the appropriate Summary of Investigation (SOI) form.³ Retrieve the Application Summary Statement from the appropriate internal database and attach it to the SOI. SOI comments for applications requiring action by the FDIC Board should be more comprehensive. Written comments must address each element of the case supporting the 8(a) action and all material changes in circumstances since the 8(a) action. Comments should also address the reasons for the proposed transaction, the effect on capital adequacy, and the overall effect on the safety and soundness of the institution both immediately and on a prospective basis.
4. If approval is recommended, prepare an approval letter. The letter should include all applicable standard conditions and any recommended non-standard conditions. The Case Manager should obtain the applicant's written agreement to any non-standard conditions prior to submitting the approval documents for signature. See *Standard and Non-standard Conditions*, Section 1.11 of these Procedures, for additional instruction regarding the imposition of conditions.
5. For an application that presents deficiencies or concerns that may result in a denial, the RO should advise the applicant of the deficiencies or concerns to ensure that all necessary facts are obtained prior to making a final determination. In controversial cases, such communication may be withheld until the WO concurs.
6. If denial of the application appears warranted, the Case Manager should prepare a disapproval letter. Refer to *Denials and Disapprovals*, Section 1.3 of these Procedures, for further instruction.
7. Forward the SOI, the draft letter, and, if applicable, the applicant's written agreement to any non-standard conditions to the WO for final action by the FDIC Board. Refer to *Applications Overview*, Section 1.1 of these Procedures, for additional instructions regarding applications that require WO action or input.
8. Update the appropriate internal database to reflect the date forwarded to the WO, the action, the date of the action, the expiration date, the hours devoted to the application, and any other required information.

IV. TIME FRAME FOR PROCESSING

Statutory: None.

The timeframe for processing is dictated by the terms of the termination order with final determination made by WO.

³ Case Managers should follow the SOI requirements for all types of applications found in *Summary of Investigation*, Section 1.2 of these Procedures, as well as the specific instructions in this Section.

V. PUBLICATION REQUIREMENT

None.

VI. DELEGATED AUTHORITY

The RO does not have delegated authority to act on these types of applications; the FDIC Board has retained the authority to act. Delegations of authority regarding applications, notices, and other filings are discussed in *Applications Overview*, Section 1.1 of these Procedures.

VII. REFERENCES

Section 303.247 of the FDIC Rules and Regulations

Sections 8(a), 8(p), and 8(q) of the FDI Act