

Banking Institutions and Their Regulators

	Chartering & Licensing	Branching		Mergers, Acquisitions & Consolidations	
	1	2. Intra-state	3. Interstate	4. Intra-State	5. Interstate
A. National Banks	OCC	OCC	OCC	OCC (10)	OCC (18)
B. State Member Banks	State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority (7)	Federal Reserve & State Authority (11)	Federal Reserve & State Authority (18)
C. FDIC-Insured State Nonmember Banks	State Authority	FDIC & State Authority	FDIC & State Authority	FDIC & State Authority (12)	FDIC & State Authority
D. Non-FDIC-Insured State Banks	State Authority	State Authority	State Authority	State Authority (13)	State Authority (13)
E. Insured Federal Savings Associations (1)	OTS	OTS	OTS (8)	OTS	OTS (8, 14)
Insured State Savings Associations (2)	State Authority	OTS & State Authority	OTS & State Authority	OTS & State Authority (14)	OTS & State Authority
F. Non-FDIC-Insured State Savings Associations	State Authority	State Authority	State Authority	State Authority	State Authority
G. Federal Credit Unions	NCUA	5	5	NCUA	NCUA
State Credit Unions	State Authority	State Authority	State Authority	NCUA & State Authority (15)	NCUA & State Authority (15)
H. Bank Holding Companies	Federal Reserve & State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority (19)
I. Savings Association Holding Companies	OTS & State Authority (3)	OTS & State Authority	OTS & State Authority	OTS & State Authority	OTS & State Authority
J. Foreign Branches of U.S. National and State Member Banks	Federal Reserve &	N/A	N/A	N/A	N/A
Foreign Branches of U.S. Insured State Nonmember Banks	State Authority	N/A	N/A	N/A	N/A
K. Edge Act Corporations	Federal Reserve	Federal Reserve	Federal Reserve	Federal Reserve (16)	Federal Reserve (16)
Agreement Corporations	State Authority (4)	Federal Reserve	Federal Reserve	State Authority (16)	Federal Reserve (16)
L. Federal U.S. Branches and Agencies of Foreign Banks	OCC	OCC & Federal Reserve (6)	OCC & Federal Reserve (9)	OCC or Federal Reserve (17)	OCC & Federal Reserve (17)
State U.S. Branches and Agencies of Foreign Banks	State Authority	State Authority & Federal Reserve (6)	State Authority & Federal Reserve (9)	Federal Reserve & State Authority (17)	Federal Reserve & State Authority

Disclaimer

The matrix provides an overview of primary regulators of banking institutions as of February 2003. It is not intended to cover each area of regulatory responsibility in detail. Further, the matrix and accompanying footnotes should not be considered either a substitute for, or an interpretation of, the regulations. Regulatory agencies should be consulted for answers to specific questions.

Reserve Requirements	Access to the Discount Window	Deposit Insurance	Supervision & Examination	Prudential Limits, Safety & Soundness	Consumer Protection	
6	7	8	9	10	11	12. Enforcement
Federal Reserve (20)	Federal Reserve (22)	FDIC	OCC (26)	OCC	Federal Reserve	OCC
Federal Reserve (20)	Federal Reserve (22)	FDIC	Federal Reserve & State Authority (26)	Federal Reserve & State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority
Federal Reserve (20)	Federal Reserve (22)	FDIC	FDIC & State Authority	FDIC & State Authority	Federal Reserve & State Authority	FDIC & State Authority
Federal Reserve (20)	Federal Reserve (22)	State Insurance Fund (23)	State Authority	State Authority	Federal Reserve & State Authority	State Authority & FTC (30)
Federal Reserve (20)	Federal Home Loan Bank & Federal Reserve (22)	FDIC	OTS (26,27)	OTS	Federal Reserve	OTS
Federal Reserve (20)	Federal Home Loan Bank & Federal Reserve (22)	FDIC	OTS & State Authority (26,27)	OTS & State Authority	Federal Reserve & State Authority	OTS & State Authority
Federal Reserve (20)	Federal Home Loan Bank & Federal Reserve (22)	State Insurance Fund (23)	State Authority (27)	State Authority	Federal Reserve & State Authority	State Authority & FTC (30)
Federal Reserve (20)	Central Liquidity Facility & Federal Reserve (22)	Credit Union Share (24)	NCUA	NCUA	Federal Reserve & State Authority	NCUA
Federal Reserve (20)	Central Liquidity Facility & Federal Reserve (22)	Credit Union Share or State Insurance Fund (24)	State Authority	State Authority	Federal Reserve & State Authority	State Authority & FTC (30)
N/A	N/A	N/A	Federal Reserve	Federal Reserve	Federal Reserve & State Authority	FTC (30)
N/A	N/A	N/A	OTS	OTS	Federal Reserve & State Authority	FTC (30)
(21)	N/A	N/A	OCC or Federal Reserve (28)	OCC or Federal Reserve & State Authority	N/A	N/A
(21)	N/A	N/A	FDIC or State Authority (28)	FDIC & State Authority	N/A	N/A
Federal Reserve (20)	N/A	N/A	Federal Reserve	Federal Reserve	N/A	N/A
Federal Reserve (20)	N/A	N/A	Federal Reserve & State Authority	Federal Reserve & State Authority	N/A	N/A
Federal Reserve (20)	Federal Reserve (22)	Federal Reserve (22)	OCC & Federal Reserve (26,29)	OCC	Federal Reserve	OCC
Federal Reserve (20)	Federal Reserve (22)	Federal Reserve (22)	Federal Reserve & State Authority (26,29)	Federal Reserve & State Authority	Federal Reserve & State Authority	Federal Reserve & State Authority

LEGEND:

FDIC	Federal Deposit Insurance Corporation	NCUA	National Credit Union Administration
FTC	Federal Trade Commission	Member	Member of the Federal Reserve System
Federal Reserve	Board of Governors of the Federal Reserve System/Federal Reserve Banks	N/A	Not applicable
		OCC	Office of the Comptroller of the Currency
IBF	International Banking Facility	OTS	Office of Thrift Supervision

- (1) Federal Savings associations included any thrift association, such as a federal savings bank chartered under Section 5 of the Home Owners Loan Act.
- (2) State savings associations include any state-chartered savings bank, savings and loan association, building and loan association, homestead association, and cooperative bank.
- (3) Savings association holding companies are required to register with the OTS.
- (4) Agreement Corporations agree to be subject to the restrictions on powers established by the Federal Reserve for Edge Act Corporations.
- (5) Federal Credit Unions are not required to receive NCUA approval before opening a branch.
- (6) The establishment of additional federal branches or agencies within a state by a foreign bank requires prior approval of both OCC and the Federal Reserve. The establishment of additional federal branches or agencies is subject to the same limitations and restrictions as would be applicable to the establishment of branches by a national bank whose principal office is located in that state. The establishment of additional state branches or agencies by a foreign bank requires approval of both the appropriate state authority and the Federal Reserve. The establishment of state branches and agencies is regulated by state banking law.
- (7) The Reigle-Neal Interstate Banking and Branching Efficiency Act of 1994 permits banks to participate in interstate branching, subject to host-state laws, provided the host-state laws are not discriminatory against non-host-state banks.
- (8) Federal savings associations are prohibited from out-of-state branching unless they qualify as domestic building and loan associations under the tax laws or meet certain other requirements.
- (9) Foreign banks with state or federal branches or agencies are permitted to establish a federal or state branch of agency outside their home state. Generally, the establishment of a agency outside the home state is subject to the same limitations and restrictions as would be applicable to a national bank whose principal office is located in that home state.
- (10) The OCC must approve the merger or acquisition if the resulting bank is a national bank. However, if a non-FDIC-insured bank or savings association merges into a national bank, the FDIC must approve the merger.
- (11) The Federal Reserve must approve the merger or acquisitions if the resulting bank is a state member bank. However if a non-FDIC-insured bank or savings associations merges into a state member bank, then the FDIC must also approve the merger.
- (12) The FDIC must approve the merge or acquisition if the resulting bank is an insured state non-member bank or if a non-FDIC-insured bank or savings association merges into an insured state non-member bank.
- (13) In addition to state authority, the FDIC must approve mergers or acquisitions between insured depository institutions and non-insured institutions.
- (14) The OTS must approve the merger or acquisition if the resulting institution is an insured savings associations. However, if a non-insured institution merges into an insured savings association, the FDIC must approve the merger.
- (15) The NCUA must approve the merger or acquisition if the resulting credit union is federally insured.
- (16) The Federal Reserve supervises acquisitions made by Edge Act Corporations and Agreement Corporations. Agreement Corporations may merge as permitted by state authority.
- (17) The International Banking Act of 1978 makes foreign banks that have branched or agencies in the U.S. subject to the provisions of the Bank Holding Company Act of 1956, as amended, with respect to certain bank and non-banking acquisitions. The acquisition of a non-banking organization is not subject to any interstate restrictions or limitations. Acquisitions of banks are subject to the Bank Holding Company Act and the home-state limitations imposed by the International Banking Act.

- (18) The Reigle-Neal Act generally allows interstate consolidations and mergers subject to certain limitations on deposit concentrations and subject to host-state requirements.
- (19) The Reigle-Neal Act amended Section 3(d) of the Bank Holding Company Act generally to allow bank holding companies to acquire banks in other states if the applicant bank holding company is adequately capitalized and managed. Bank Holding Companies can combine subsidiaries in more than one state with the prior approval of the appropriate federal regulatory agency.
- (20) Under the Depository Institutions Deregulation and Monetary Control Act of 1980, the Federal Reserve is required to set a uniform system of reserve requirements (Regulation D) for virtually all depository institutions, including U.S. branches and agencies of foreign banks. Non-FDIC-insured state banks eligible for deposit insurance may be subject to reserve requirements. Regulation D provides that IBF deposits satisfying the requirements of Regulation D are exempt from reserve requirements.
- (21) Deposits of foreign branches of U.S. banks payable only outside the U.S. are generally not subject to reserve requirements.
- (22) Nearly all depository institutions in the U.S., including branches and agencies of foreign banks, have access to the discount window. Reserve Banks will extend primary credit at a rate above the target federal funds rate on a very short-term basis (typically overnight) to depository institutions that the Reserve Banks judge to be in generally sound financial condition. Longer-term extensions of primary credit are also available. Eligibility for primary credit will be determined according to a set of criteria that is uniform throughout the Federal Reserve System. An institution eligible to receive primary credit need not exhaust other available sources of funds before coming to the discount window, nor will it be prohibited from using primary credit to finance sales of federal funds. The Reserve Banks will offer secondary credit to institutions that do not qualify for primary credit. As with primary credit, secondary credit will serve as a backup source of liquidity on a very short-term basis, provided that the loan is consistent with a timely return to reliance on market-source funds.
- (23) Deposits that are not insured by the FDIC may be insured by states or state-authorized insurance funds.
- (24) Shares in all federal credit unions and many state credit unions are insured by the National Credit Union Share Insurance Fund, which is administered by the NCUA. Shares in some state credit unions may be insured by states or state-authorized insurance funds.
- (25) Federal and state branches of foreign banks engaged in wholesale deposit-taking (generally deposits over \$100,000) are not required to obtain FDIC insurance.
- (26) The FDIC has some residual examination authority over all FDIC-insured depository institutions.
- (27) FDIC-insured savings associations are supervised and examined by the OTS; non-FDIC-insured state savings associations by state authority.
- (28) Foreign branches of national banks are supervised and examined by the OCC; foreign branches of state member banks by the Federal Reserve; foreign branches of insured state nonmembers by the FDIC and state authority; and foreign branches of non-FDIC-insured state banks by state authority.
- (29) The Federal Reserve has examination authority over all U.S. branches and agencies of foreign banks. The Federal Reserve's examination authority is shared with: the OCC in the case of federal branches and agencies; the FDIC and state authorities for FDIC-insured state branches; and state authorities in the case of state non-FDIC-insured branches and agencies.
- (30) Enforcement of federal consumer regulations is generally left to the FTC when the institution is not a federally insured depository institution.