

Statement of Cooperation
between
the Board of Governors of the Federal Reserve System

the Office of the Comptroller of the Currency

the Federal Deposit Insurance Corporation
and
the European Central Bank

This Statement of Cooperation is made BETWEEN:

The European Central Bank ('ECB'), with its headquarters at Sonnemannstraße 22, 60640 Frankfurt am Main, Germany,

AND

The Board of Governors of the Federal Reserve System (the '**Board**'), with its headquarters at 20th Street and Constitution Avenue NW, Washington, DC 20551, United States,

AND

The Office of the Comptroller of the Currency (the '**OCC**'), with its headquarters at 400 7th Street SW, Washington, DC 20219, United States,

AND

The Federal Deposit Insurance Corporation (the '**FDIC**'), with its headquarters at 550 17th Street NW, Washington, DC 20429, United States

1. Considering that a number of banks and banking organizations chartered in the United States and in the Member States of the European Union participating in the Single Supervisory Mechanism ('SSM Participating Member States') have operations in each of the respective jurisdictions, the Board,¹ the OCC, the FDIC, and the ECB, jointly the 'Authorities' and each of them individually, an 'Authority' have reached an understanding regarding the sharing of prudential supervisory information ('information') and other forms of cooperation to facilitate the performance of their respective duties² related to the prudential supervision of banks and banking organizations³ in their respective jurisdictions.⁴ This understanding also demonstrates the commitment of the Board, the OCC, the FDIC, and the ECB to the principle of cooperation among banking regulators.

2. Taking into consideration the relevant applicable laws, regulations, and requirements⁵ in the European Union and the United States, the Board, the OCC, the FDIC, and the ECB enter into this Statement.

3. The Authorities express through this Statement their willingness to cooperate with each other on the basis of mutual trust and understanding in the prudential supervision of banks and

¹ The Federal Reserve System is composed of a central governmental agency, the Board, and 12 regional Federal Reserve Banks ('Federal Reserve Banks'). The Federal Reserve Banks perform their prudential supervisory functions under authority delegated by the Board. The Board acknowledges that the terms of this Statement of Cooperation ('Statement') apply both to the Board and the Federal Reserve Banks acting in their prudential supervisory capacity.

² For the ECB, this Statement will cover the prudential supervisory tasks conferred on the ECB by Article 4, read in conjunction with Article 6(4) of Council Regulation (EU) No 1024/2013 of 15 October 2013, conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287, 29.10.2013, p. 63), (the 'SSM Regulation').

³ For the Board, OCC, and FDIC, the terms 'bank' and 'banks' include savings associations. 'Banking organization' refers to a bank holding company or financial holding company and its bank and non-bank subsidiaries. It also refers to savings and loan holding companies and their savings association and other subsidiaries. For the ECB, 'banks and banking organizations' refers to the entities that fall under the prudential supervisory competences of the ECB, in accordance with Articles 4 and 6 of the SSM Regulation.

⁴ For the purposes of this Statement, the SSM Participating Member States are considered to be the ECB's jurisdiction.

⁵ The term "applicable laws, regulations, and requirements" is understood as covering any type of legal instrument applicable to the Authorities. For the ECB this would also cover instruments qualified as decisions, directives, recommendations, and guidelines.

banking organizations incorporated in the United States and in the SSM Participating Member States insofar as they are subject to the prudential supervision of the Board, the OCC, or the FDIC, and the ECB, pursuant to their respective laws.⁶

4. The Board, the OCC, the FDIC, and the ECB recognize that the respective laws, regulations, and requirements to which they are subject may define certain terms differently. Authorities may cooperate in the prudential supervision of banks and banking organizations to the extent that such cooperation is consistent with applicable laws, regulations, and requirements and that each Authority has a lawful prudential supervisory purpose for such cooperation. Cooperation can be limited insofar as it relates to matters falling outside the prudential supervisory responsibilities of the requested Authority.

5. Cooperation under this Statement would be provided insofar as reasonable, appropriate, and permissible and without prejudice to the proper performance of the Authority's tasks.

6. Cooperation is without prejudice to the tasks and responsibilities of the national competent authorities ('NCAs') of the SSM Participating Member States under European Union and national laws, as well as any Memoranda of Understanding they are party to (or will become party to) for the performance of their tasks.⁷

⁶ This Statement is also meant to facilitate the sharing of information among Authorities in relation to banks or banking organizations in the United States and the SSM Participating Member States that are under common ownership or control by one person or group of persons with respect to operations that may have an impact on the other jurisdiction.

⁷ For purposes of the information sharing provisions of this Statement, the Authorities acknowledge that staff from the NCAs or national central banks ('NCBs') acting in an official capacity as members of an SSM supervisory team or as members of an SSM on-site team will be treated as staff members of the ECB and will be subject to the confidentiality provisions of this Statement to the extent they are involved in the prudential supervisory tasks of the ECB under the SSM Regulation. The same is true for staff of NCBs and NCAs fulfilling tasks related to their institution's acting in their official capacities as members of the ECB Governing Council or the SSM Supervisory Board on matters relating to prudential banking supervision. NCAs and NCBs will otherwise be treated as third-parties under this Statement.

Sharing of Information

7. The Authorities recognize that close communications between the Authorities in their roles as home and host prudential supervisors would be mutually advantageous. Cooperation would include, but not be limited to, contact during the authorization process of a cross-border establishment, as well as in the supervision of the ongoing activities of cross-border establishments.⁸

8. In connection with the authorization processes⁹ that fall within their remit, the Authorities intend to:

- a. Inform the appropriate home Authority(ies), as soon as feasible, of applications for approval to establish cross-border establishments in one jurisdiction by banks and banking organizations from the other jurisdiction and of the outcome thereof;
- b. Upon request, provide the host Authority(ies) with information necessary for the assessment of authorization requests, insofar as it is available to the home Authority(ies), including whether an applicant is in substantial compliance with banking laws and regulations and whether an applicant may be expected, given its administrative structure and internal controls, to manage the cross-border establishment in an orderly manner; and
- c. To the extent reasonable and consistent with applicable laws, regulations, and requirements share information on the capability, integrity, or experience of the prospective managers of the cross-border establishment.

⁸ The term 'cross-border establishment' means a branch, subsidiary, affiliate, or other office or entity of a bank or banking organization operating within one jurisdiction for which an Authority in the other jurisdiction is the consolidated prudential supervisor of the bank or banking organization.

⁹ Such processes include, for example, the application for the establishment of a new entity or for the purchase of capital in an existing entity.

9. In connection with the ongoing prudential supervisory cooperation, the Authorities intend to inform:

- a. The appropriate home Authority(ies) and provide the relevant information available¹⁰ in light of the exercise of their tasks and duties, regarding any material developments or prudential supervisory concerns in respect of the local operations of any cross-border establishment of a bank or banking organization headquartered in the home Authority's jurisdiction;
- b. Each other, in a timely manner, and to the extent permissible and consistent with the Authorities' prudential supervisory responsibilities, about events that have the potential to endanger the stability of banks and banking organizations in the United States and SSM Participating Members States;
- c. The appropriate Authority(ies) in the other jurisdiction of non-public administrative penalties imposed on, or any other formal enforcement action taken regarding (1) a cross-border establishment as host Authority; or (2) a bank or banking organization as home Authority if the home Authority(ies) judge(s) such information as possibly important to the Authority(ies) in the other jurisdiction.

10. Upon receipt of a request by an Authority(ies) for information of a type not specifically addressed in this Statement, the requested Authority(ies) would endeavour to provide the requesting Authority(ies) with the requested information where such information is needed for the requesting Authority's(ies') prudential supervisory tasks. Such information may be provided on a host-to-home or home-to-host basis.

¹⁰ This may include, for example, information contained in examination reports or other reports, including, in appropriate cases, relevant excerpts of the report itself.

11. All requests for information pursuant to this Statement should generally be in writing, which includes electronic formats. Where the Authorities perceive a need for expedited action or a written request is otherwise impractical, requests may be initiated in any format, however, they should be confirmed subsequently in writing without undue delay.

12. From time to time the Authorities may share information on a host-to-host basis regarding establishments headquartered in jurisdictions other than the United States and the SSM Participating Member States when such establishments have related or interconnected operations in the United States and the SSM Participating Member States. The Authorities would endeavour to share such information, but such sharing may be subject to prior consultation with the relevant home supervisor(s) and, where relevant, cooperation arrangements with such supervisor(s).

13. Whenever appropriate, ad-hoc meetings would be arranged to resolve serious prudential supervisory problems concerning a cross-border establishment.

14. The Authorities recognize that cooperation is particularly useful in assisting each other in carrying out on-site inspections of cross-border establishments in the host jurisdiction.¹¹ The home Authority(ies) should notify the host Authority(ies) regarding plans to inspect or verify any information concerning a cross-border establishment in the host jurisdiction, and should indicate the purpose of the inspection and the aspects of the cross-border establishment they wish to explore, the expected starting and ending dates, and the names of the person(s) leading the inspection. Name(s) of person(s) participating in the inspection, including names of any external consultants, where applicable,¹² should be shared at the earliest convenience. For

¹¹ Assistance should not be construed as encompassing the performance of activities on behalf of or under the supervision or instruction of the other Authority(ies).

¹² For the ECB, external consultants refers to persons authorised by the ECB as outlined in Article 12 (2) of the SSM Regulation: "The officials of and other persons authorised by the ECB to conduct an on-site inspection may enter any business premises and land of the legal persons subject to an investigation decision adopted by the ECB and shall have all the powers stipulated in Article 11(1)."

routine inspections, Authorities should endeavour to provide such notification at least one month in advance. Inspections of cross-border establishments in the host jurisdiction would be undertaken only after consultation with the appropriate Authority(ies) of such cross-border establishments in that jurisdiction.

At the discretion of the host Authority(ies), inspections may be carried out independently by the home Authority(ies), or in cooperation with the host Authority(ies). The Authorities will endeavour to assist each other as far as practicable in conducting on-site inspections of cross-border establishments. Assistance may include, but would not be limited to, the provision of documents, before and/or during the inspection, that may assist the home Authority(ies) in achieving the objectives of the inspection. The host Authorities should endeavour to ensure that the home Authority(ies) have prompt access to relevant documents and findings. The home Authority(ies) would inform the host Authority(ies) about the conclusion of an inspection and provide, to the extent reasonable and possible, information on the results of the inspection which are relevant to the prudential supervisory responsibilities of the other Authority(ies).

15. Where possible and appropriate, and subject to the Authorities' competences, the Authorities intend to cooperate closely when they identify unauthorized banking business and will endeavour to share information related to such activities.

General Provisions

16. A request for information should generally include the following:

- a. A description of the facts underlying the request, and its purpose;
- b. Any information known to, or in the possession of, the requesting Authority that might assist the requested Authority in fulfilling the request.

17. Information would be shared to the extent reasonable and subject to any relevant statutory provisions, including those restricting disclosure. Such information normally would not

include personal data¹³ unless this is of particular relevance to the prudential supervisory concern prompting the request. In addition, the provision of, or request for, information under this Statement may be denied on grounds of applicable laws, regulations, and requirements of public interest or national security, or when disclosure would interfere with an ongoing investigation or jeopardize the performance of the requested Authority's responsibilities.¹⁴

18. Any information received from another Authority will be used only for lawful prudential supervisory purposes. To the extent permitted by applicable laws, regulations, and requirements, each Authority will preserve the confidentiality of all information, other than publicly available information, received from another Authority pursuant to this Statement and will not disclose such information other than as necessary to carry out its lawful prudential supervisory responsibilities and in accordance with paragraphs 19, 20, and 21.

19. Except as provided in paragraphs 20 and 21, before an Authority discloses any information received from another Authority to a third party, the Authority will request and obtain prior written consent from the originating Authority. Where possible, the request for such consent should indicate the purposes for which such information would be shared and the anticipated uses that the third party could make of the information. The consent of the originating Authority should not be unreasonably withheld and the originating Authority should endeavour to grant such consent to the requesting Authority on a best efforts basis. Each Authority will endeavour to respond to a request to disclose information within a reasonable timeframe.

¹³ The Authorities understand that any exchange of information which involves transfer of personal data between the Authorities is not covered by this Statement and such requests will be assessed on a case-by-case basis in compliance with respective applicable legal frameworks.

¹⁴ Subject to relevant provisions of applicable law, regulations and requirements, including those restricting disclosure, the ECB may share information obtained through a breach reporting mechanism or other whistleblowing schemes, if such exchange is necessary and appropriate.

20. In the event that an Authority receives a legally enforceable demand to disclose information provided pursuant to this Statement, it will, to the extent permitted by law,¹⁵ inform the Authority that provided the information about the possibility of such onward sharing. If the informed Authority does not consent to such disclosure and, if possible and appropriate, the Authority that is required to disclose the received information will take reasonable steps to resist disclosure, including by employing legal means to challenge the order or by advising the requesting party of the possible negative consequences that such disclosure might have on the future exchange of information between the Authorities.

21. The Authorities may share information received from another Authority with certain other authorities that carry out similar prudential banking supervisory functions as follows:

- a. Each of the Board, OCC, and FDIC (each a 'U.S. Authority') consents to the ECB disclosing information provided by a U.S. Authority to an NCA¹⁶ where: (i) the ECB has a lawful prudential supervisory purpose for such disclosure; (ii) the receiving NCA's purpose for receiving the information relates to that NCA's prudential supervision of the bank, banking organization, or cross-border establishment to which the information pertains; and (iii) the ECB obtains assurances that the information will not be further disclosed by the NCA except as authorized by the ECB after the ECB has received the appropriate U.S. Authority's prior consent, or pursuant to the procedures in paragraph 20 where the NCA receives a legally enforceable demand for the information. The ECB will provide ex-post monthly notice to the appropriate U.S. Authority regarding any disclosures made pursuant to this subparagraph.

¹⁵ For example, a subpoena or court order requesting information may bar the Authorities from disclosing the existence of such subpoena or order.

¹⁶ Appendix A provides a list of NCAs as at the date of this Statement, which also covers eventual authorities that are the legal successors to those NCAs. The ECB will promptly notify the U.S. Authorities of any changes to this list.

b. The ECB consents to a U.S. Authority disclosing information provided by the ECB to another U.S. Authority where: (i) the disclosing U.S. Authority has a lawful prudential supervisory purpose for such disclosure; (ii) the receiving U.S. Authority's purpose for receiving the information relates to that U.S. Authority's prudential supervision of the bank, banking organization, or cross-border establishment to which the information pertains; and (iii) the receiving U.S. Authority is informed by the disclosing U.S. Authority that the information is to be treated in accordance with this Statement. The disclosing U.S. Authority will provide ex-post monthly notice to the ECB regarding any disclosures to another U.S. Authority made pursuant to this subparagraph.

c. The ECB consents to each U.S. Authority disclosing information provided by the ECB to any U.S. state prudential banking supervisory authority ('State Authority') the confidentiality and professional secrecy regime of which has been deemed equivalent (an 'equivalency determination') by (a) the European Banking Authority; or (b) any NCA before the establishment of the SSM on 4 November 2014,¹⁷ where: (i) the disclosing U.S. Authority has a lawful prudential supervisory purpose for such disclosure; (ii) the receiving State Authority's purpose for receiving the information relates to its prudential supervision of the bank, banking organization, or cross-border establishment to which the information pertains; and (iii) the U.S. Authority obtains assurances that the information will not be further disclosed by the State Authority except as authorized by the U.S. Authority after the U.S. Authority has received the ECB's prior consent or pursuant to the procedures in paragraph 20 where the State

¹⁷ Appendix B provides a list of State Authorities that have received a positive equivalency determination as at the date of this Statement. Appendix C includes a list of State Authorities that may receive a positive equivalency determination at a future date. The ECB will provide updates to the U.S. Authorities as State Authorities listed on Appendix C receive positive equivalency determinations, following which they will become eligible onward sharing recipients pursuant to this subparagraph. The lists also cover eventual authorities that are the legal successors to those State Authorities.

Authority receives a legally enforceable demand for the information. The disclosing U.S. Authority will provide ex-post monthly notice to the ECB regarding any disclosures made pursuant to this subparagraph.

d. Where information is shared pursuant to subparagraphs a., b., or c. of this paragraph 21, the mere fact that the information is shared should not be construed as affecting the status of the shared information as confidential or any other privileges regarding the information.¹⁸

22. The Authorities would conduct meetings as often as appropriate to discuss issues concerning cross-border establishments in the respective other jurisdiction. In addition, continuous and informal contacts between the staff of the ECB and the staffs of the Board, the OCC, and the FDIC will be encouraged.

23. The Authorities may promote their cooperation through visits for informational purposes and by exchange of staff for practical internships. In addition, the Authorities may pursue cooperation in areas where the training of staff at one Authority would benefit from input and support by another Authority in order to reinforce sound banking prudential supervisory practices in both jurisdictions.

This cooperation may also include the Authority(ies) responding to requests for information on the meaning and/or application of legal provisions¹⁹ whose application falls under their remit and informing each other about any major changes which have a significant bearing on the activities of cross-border establishments.

24. This Statement sets forth a statement of intent and does not modify or supersede any applicable laws, regulations, or requirements in force in, or applying to, the United States or

¹⁸ This is without prejudice to situations where confidential information must be disclosed to third parties pursuant to paragraph 20.

¹⁹ Such information on the meaning and/or application of legal provisions should not be understood as legal advice and does not trigger any liability of the Authorities.

the SSM Participating Member States. Nor does this Statement create any directly or indirectly enforceable rights for the Authorities or any third party.

25. This Statement will enter into operation the day following its signature by the representatives of the Authorities and continue indefinitely subject to modification by the mutual consent of the parties or termination by any Authority with 30 days advance notice to the other Authorities. After termination, the confidentiality provisions shall continue to apply to any information provided under this Statement prior to termination.

26. This Statement, and any part of this Statement, may be published subject to the agreement of all the Authorities and may also be disclosed where there is a legally enforceable demand.

27. The Authorities look forward to continued cooperation and discussions on these and other prudential supervisory matters.

**For the Board of Governors of
the Federal Reserve System**

[signature]

Michael S. Gibson
Director, Division of Supervision and
Regulation

Date: May 7, 2020

For the European Central Bank

[signature]

Andrea Enria
Chair of the Supervisory Board of the ECB

Date: 21 JULY 2020

**For the Office of the Comptroller of the
Currency**

Maryann H. Kennedy

Digitally signed by
Maryann H. Kennedy
Date: 2020.06.09
08:22:47 -0400

Maryann H. Kennedy
Senior Deputy Comptroller for Large Bank
Supervision

Date:

For the European Central Bank

[signature]

Yves Mersch
Vice-Chair of the Supervisory Board of the
ECB

Date: JULY 2020

**For the Federal Deposit Insurance
Corporation**

DOREEN
EBERLEY

Digitally signed by
DOREEN EBERLEY
Date: 2020.06.02
12:30:35 -0400

Doreen R. Eberley
Director, Division of Risk Management Supervision

Date:

Appendix A

List of NCAs

The Nationale Bank van België/Banque Nationale de Belgique (BNB/NBB)

The Bundesanstalt für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority - BaFin)

Finantsinspektsioon (the Estonian Financial Supervisory Authority - FSA)

The Central Bank of Ireland (CBI)

The Bank of Greece (BoG)

The Banco de España (BdE)

The Autorité de contrôle prudentiel et de résolution (the French Prudential Supervision and Resolution Authority - ACPR)

The Banca d'Italia (BdI)

The Central Bank of Cyprus (CBC)

Finanšu un kapitāla tirgus komisija (the Latvian Financial and Capital Market Commission - FKTK)

Lietuvos bankas

The Commission de Surveillance du Secteur Financier (the Luxembourg Financial Sector Supervisory Commission - CSSF)

The Malta Financial Services Authority (MFSA)

De Nederlandsche Bank (DNB)

The Finanzmarktaufsicht (the Austrian Financial Market Authority - FMA)

The Banco de Portugal (BdP)

Banka Slovenije

Národná banka Slovenska (NBS)

Finanssivalvonta (the Finnish Financial Supervisory Authority – FIN-FSA)

Appendix B

List of State Authorities that have received a positive equivalency determination as of the date of this Statement

Illinois Department of Financial & Professional Regulation - Division of Banking

New York State Department of Financial Services

Appendix C

List of State Authorities

Alabama State Banking Department
Alaska Division of Banking and Securities
American Samoa Government Office of Financial Institutions, Department of Treasury
Arizona Department of Financial Institutions
California Department of Business Oversight
Colorado Division of Banking
Connecticut Department of Banking
Delaware Office of the State Bank Commissioner
District of Columbia Department of Insurance, Securities and Banking
Florida Office of Financial Regulation
Georgia Department of Banking and Finance
Guam Department of Revenue and Taxation
Hawaii Division of Financial Institutions Department of Commerce and Consumer Affairs
Idaho Department of Finance
Indiana Department of Financial Institutions
Iowa Division of Banking
Kansas Office of the State Bank Commissioner
Kentucky Department of Financial Institutions
Louisiana Office of Financial Institutions
Maine Bureau of Financial Institutions
Maryland Office of Financial Regulation
Massachusetts Division of Banks
Michigan Department of Insurance and Financial Services
Minnesota Department of Commerce
Mississippi Department of Banking and Consumer Finance
Missouri Division of Finance
Montana Division of Banking and Financial Institutions
Nebraska Department of Banking and Finance
Nevada Financial Institutions Division, Department of Business & Industry
New Hampshire State Banking Department
New Jersey Department of Banking and Insurance
New Mexico Financial Institutions Division

North Carolina Office of Commissioner of Banks
North Dakota Department of Financial Institutions
Northern Mariana Islands Department of Commerce
Ohio Division of Financial Institutions
Oklahoma State Banking Department
Oregon Division of Financial Regulation
Pennsylvania Department of Banking and Securities
Puerto Rico Office of the Commissioner of Financial Institutions
Rhode Island Department of Business Regulation Division of Banking
South Carolina State Board of Financial Institutions
South Dakota Division of Banking
Tennessee Department of Financial Institutions
Texas Department of Banking
Utah Department of Financial Institutions
Vermont Department of Financial Regulation
Virgin Islands Division of Banking, Insurance, & Financial Regulation
Virginia Bureau of Financial Institutions
Washington Department of Financial Institutions
West Virginia Division of Financial Institutions
Wisconsin Department of Financial Institutions
Wyoming Division of Banking