

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
Washington, D.C. 20551

INTERNATIONAL APPLICATIONS AND PRIOR NOTIFICATIONS  
UNDER SUBPARTS A AND C OF REGULATION K

Public reporting burden for this information collection is estimated to vary from 10 to 20 hours per response, with an average of 12 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection,

including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, and Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

## General Information and Instructions

The following material has been prepared to assist in preparation of applications and prior notifications relating to international operations under the Board's Regulation K. Checklists are attached providing the types of information that will normally be required. Some of the items may not be applicable to a particular proposal. Applications and notifications that, in the judgment of the Reserve Bank, do not substantially contain the information specified in the checklists will not be accepted and may be returned to the applicant for resubmission.

Applications and notifications should be addressed to the Board of Governors of the Federal Reserve System in 10 copies and are to be submitted to the Federal Reserve Bank of the District in which the parent company is located or, if none, the District in which the applying organization is or will be located. Submissions may be in letter form, or by cover letter accompanied by a memorandum containing the required information. Prior consultations with the Reserve Bank, and, if necessary, the Board's staff, are suggested to resolve questions or to assure that applications and notifications for proposed Edge corporations or investments or branches with unusual characteristics are properly filed. Investments must be reported after the fact on the FR 2064, and branch openings, closings, and relocations must be reported after the fact on the FR 2058 in accordance with the instructions for those forms.

Applications and notifications will be made available to the public upon request. If an applicant is of the opinion that disclosure of

commercial or financial information that is not available to the public from any other source would likely result in substantial harm to the competitive position of an applicant or its affiliates, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested. (A claim that disclosure would violate the law or policy of a foreign country is not, in and of itself, sufficient reason to exempt information from disclosure. If it can be demonstrated that disclosure would meet the "substantial competitive harm" test, however, then the information may be exempted.) A request for confidential treatment must be submitted in writing concurrently with the submission of the application or notification and must discuss in detail the justification for confidential treatment. Justification must be provided for each specific item of which confidential treatment is requested. Applicant's reasons for requesting confidentiality should demonstrate the harm that would result from public release of the information. A statement simply indicating that the information would result in competitive harm or that it is personal in nature is not sufficient. Information for which confidential treatment is requested should be (1) specifically identified in the public portion of the application (by reference to the confidential section), (2) separately bound, and (3) labeled CONFIDENTIAL. Adherence to these procedures is an essential prerequisite to processing of applications and notifications. Applicants should also follow this procedure with regard to the filing of any supplemental information.

## Attachments

The section numbers cited below are references to Regulation K (12 CFR 211).

Attachment A — Information Required in

1. Applications by Member Banks, Edge Corporations or Foreign Subsidiaries to Establish Foreign Branches (Section 211.3(a)(1))
2. Applications for Branches to Engage in Activities not listed in Regulation K (Section 211.3(b)(10))

Attachment B — Information Required in Prior Notifications by Member Banks, Edge Corporations or Foreign Subsidiaries to Establish Foreign Branches (Section 211.3(a)(3))

Attachment C — Information Required in

1. Applications to Establish an Edge Corporation (Section 211.4)
2. Applications for Edge Corporations to Engage in Domestic Activities not Listed in Regulation K (Section 211.4(e)(9))
3. Applications by Foreign Controlled Institutions to Acquire the Majority of the Shares of Edge Corporations and Notifications for Change in Control of Edge Corporations (Sections 211.4(b)(2) and (3), respectively)

Attachment D — Model Articles of Association for an Edge Corporation (Section 211.4)

Attachment E — Model Organization Certificate for an Edge Corporation (Section 211.4)

Attachment F — Information Required in Prior Notifications to Establish Domestic Branches of an Edge Corporation (Section 211.4(c))

Attachment G — Information Required in an Application to Amend Articles of Association of an Edge Corporation (Section 211.4(a)(7))

Attachment H — Information Required in

1. Applications by Member Banks, Edge Corporations or Bank Holding Companies to Invest in Other Foreign Organizations (Section 211.5(c)(4))
2. Applications by Member Banks, Edge Corporations or Bank Holding Companies to Engage in Foreign Activities not Previously Determined to be Permissible (Section 211.5(d)(20))

Attachment I — Information Required in Prior Notifications by Member Banks, Edge Corporations or Bank Holding Companies to Invest in Other Foreign Organizations (Section 211.5(c)(3))

Attachment J — Information Required in Prior Notifications to Establish Export Trading Companies (Section 211.34)

**Applications and prior notifications are required under sections 25 and 25A of the Federal Reserve Act (12 U.S.C. 601–604(a) and 611–631, respectively), sections 4(c)(13), 4(c)(14), and 5(c) of the Bank Holding Company Act (12 U.S.C. 1843(c)(13), 1843(c)(14), and 1844(c), respectively, and Regulation K (12 CFR 211).**

## Attachment A

### Information Required in

1. Applications by Member Banks, Edge Corporations or Foreign Subsidiaries to Establish Foreign Branches (Section 211.3(a)(1))
2. Applications for Branches to Engage in Activities not Listed in Regulation K (Respond to Items 1, 2, 4, 6 and 8) (Section 211.3(b)(10))

1. Name of applying organizations.
2. Location (city and country) of proposed branch.
3. a. Existing representation in the foreign country, if any.  
b. Discussion of the ways in which it is believed the branch would further the development of the applying bank's international or foreign business.
4. Type of business to be conducted and types of services to be offered, including:
  - a. Whether any existing or planned future business will be transferred to the proposed branch, indicating the volume and type of such business.
  - b. Whether the branch will engage in trust activities, and whether that business will be conducted on behalf of customers in the United States.
  - c. If any of the proposed activities are not listed in section 211.3(b), discuss the risks related to the conduct of the proposed activities as well as any limits, safeguards or controls that will be implemented to mitigate these risks. Also, discuss the degree to which the proposed activities will be supervised by foreign regulatory authorities.
5. a. If there has been more than a 25 percent change in the investor's (and its affiliates') consolidated exposure to the country of the proposed branch from that reported in the most recently filed Country Exposure Report (FFIEC 009), show the consolidated direct and indirect exposure to borrowers from this country. The exposure in question is both (1) cross-border exposure (which may be calculated for this purpose by adding the figures under columns 4, 14, 15, and 16 of the form and subtracting the sum of columns 10, 11, and 12); and (2) net local currency exposure (subtract column 18 from column 17).
  - b. If the investor has not previously filed a Country Exposure Report, the investor should estimate its direct and indirect credit exposure to borrowers from this country. In making this estimate, loans to, and claims on, a bank whose head office is located in the country where the branch is to be established should be considered exposure to that country, regardless of where the loan is extended or the claim arises.
  - c. If projections indicate that at the end of the third year of operations of the proposed branch, the direct and indirect exposure, as calculated above, will increase by more than 25 percent from levels at the time of the investment and this amount is greater than 25 percent of consolidated capital, show the projected consolidated exposure for that country.
6. Estimated start-up costs and projected size of branch's assets and earnings at end of third year of operations.
7. Background of the officers of the proposed branch.
8. Status of foreign government approvals, if any.
9. For a member bank's first branch, and for the second branch where the first was not a full-service branch, a summary of the bank's experience in international banking, including the volume and character of present international business, a description of the bank's foreign or international department, the number of its staff, and the background of its officers.
10. Details on any locally imposed capital requirements and any other special requirements relating to the utilization of capital funds.

## Attachment B

Information Required in Prior Notifications by Member Banks, Edge Corporations or Foreign Subsidiaries to Establish Foreign Branches  
(Section 211.3(a)(3))

1. Name of applying organizations.
2. Location (city and country) of proposed branch.
3. Brief description of proposed activities.
4. Projected asset size of the branch at the end of its third year of operations.

## Attachment C

### Information Required in

1. Applications to Establish an Edge Corporation (Section 211.4)
  2. Applications for Edge Corporations to Engage in Domestic Activities not Listed in Regulation K (Respond to Items 2, 5, 6, 7, and 8b) (Section 211.4(e)(9))
  3. Applications by Foreign Controlled Institutions to Acquire the Majority of the Shares of Edge Corporations and Notifications for Change in Control of Edge Corporations (Respond to Items 2, 4, 5, 6, 7 and 8b). If appropriate, respond also to Items 3, 9, and 10 and Attachment G) (Sections 211.4(b)(2) and (3))
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1. The signed and dated proposed articles of association and an executed organization certificate, as prescribed by Section 25A of the Federal Reserve Act and Section 211.4(a) of Regulation K (see pages 5 and 6 of FR K-1).
  2. Proposed activities to be conducted by the Edge corporation.
  3. For the bank's first Edge corporation, a summary of the bank's experience in international banking operations, including the volume and character of present international business, a description of the foreign or international department, the number of its staff, and background of its officers. Foreign banking institutions need not respond to this question.
  4. Management of the proposed Edge corporation, including a short biographical sketch of each of the proposed directors and officers.
  5. Any request for investment authority by the proposed Edge corporation that the applicant desires to be considered concurrently with the application to form a corporation.
  6. Description of how the convenience and needs of the community or communities will be served by the proposed Edge corporation with respect to international banking and financing services.
    - a. What types of customers are to be served?
    - b. What specific services are to be provided?
    - c. How are these services now being provided in this market?
  7. Description of the extent to which, if any, applicant or its affiliates are providing the services described in item 6 above in the community or communities to be served by the proposed Edge corporation.
  8. Financial information:
    - a. Capitalization structure. (Where banking Edge corporations are to be capitalized at the minimum amount, a contribution to surplus (usually \$500,000) is expected to be made in view of the possible impairment of capital due to start-up costs.)
    - b. Projected balance sheets and income statements for three years in summary form.
  9. Foreign banking institutions that do not otherwise file the Annual Report form for foreign banking organizations (FR Y-7, FR Y-7A, and FR 2068) are required to file additional information. The items of forms FR Y-7, FR Y-7A, and FR 2068 that should be filed are:
    - a. On financial condition: Y-7, Report Items 1A through 1D; and FR 2068, Items on pp. 6 through 12 inclusive.
    - b. On activities in the U.S.: Y-7A.
  10. In addition, for foreign banking institutions:
    - a. Describe the general supervisory review and oversight of the applicant that is conducted by the applicant's home country supervisor and, if different, the home country supervisor of any top tier foreign bank in the ownership chain with respect to the proposed Edge corporation. The description should address how the home country supervisor receives information on the worldwide operations of the bank (e.g., through examination, audit reports, financial reporting, prudential standards, etc.). Include a discussion of how the home country supervisor obtains information on the dealings and relationships between the applicant and its foreign and domestic affiliates.
    - b. Provide a statement from the applicant describing the laws that would restrict the applicant or any of its parents (bank or bank holding company) from providing information to the Board necessary to determine and enforce compliance with applicable U.S. law. Further, the applicant should describe what controls and procedures will be put in place in the proposed Edge corporation to ensure continuing compliance with U.S. law.

Attachment D

Model Articles of Association for an Edge Corporation (Section 211.4)

**CORPORATION TO DO BUSINESS  
UNDER SECTION 25A OF THE FEDERAL RESERVE ACT  
ARTICLES OF ASSOCIATION**

For the purpose of organizing a corporation to do business under section 25A of the Federal Reserve Act, the undersigned subscribers for the stock of the corporation hereinafter named do enter into the following articles of association:

FIRST. The name of this corporation shall be " \_\_\_\_\_  
\_\_\_\_\_."

SECOND. This corporation is being organized for the purpose of engaging in international or foreign banking and international or foreign financial operations within the limitations prescribed in section 25A of the Federal Reserve Act and regulations thereunder, either directly or through the agency, ownership, or control of local institutions in foreign countries or in dependencies or insular possessions of the United States.

THIRD. The home office of this corporation shall be located in the United States at \_\_\_\_\_  
\_\_\_\_\_.

FOURTH. Subject to the prior approval of the Board of Governors of the Federal Reserve System as to the establishment of branches and agencies, the operations of this corporation shall be carried on in the following place or places: \_\_\_\_\_  
\_\_\_\_\_

FIFTH. The Board of Directors shall consist of not less than \_\_\_\_\_ nor more than \_\_\_\_\_ members. The first meeting of the shareholders for the election of directors shall be at \_\_\_\_\_  
\_\_\_\_\_ on the \_\_\_\_\_ or at such other place and time as a majority of the undersigned shareholders may direct.

SIXTH. The regular annual meeting of the shareholders for the election of directors shall be held each year in the United States

at the home office of the corporation, upon the date fixed by the directors in the by-laws of the corporation, and all elections shall be held according to such regulations as may be prescribed by the Board of Directors not inconsistent with the provisions of section 25A of the Federal Reserve Act and of these articles.

SEVENTH. The capital stock of this corporation shall be \_\_\_\_\_.

EIGHTH. By amendment to these articles, the capital stock may, at any time, with the approval of the Board of Governors of the Federal Reserve System, be increased or reduced to an amount not less, in any case, than \$2,000,000 by a vote of two-thirds of the shareholders, or by unanimous consent in writing of the shareholders without a meeting and without a formal vote, according to the provisions of section 25A of the Federal Reserve Act.

NINTH. The Board of Directors, a majority of whom shall be a quorum to do business, shall have power to appoint such officers and employees as may be deemed proper, define their authority and duties, require bonds of them, and fix the penalty thereof, dismiss such officers or employees, or any thereof, at pleasure, and appoint others to fill their places; and to prescribe by-laws consistent with law and with the regulations of the Board of Governors of the Federal Reserve System regulating the manner in which its stock shall be transferred, its directors elected or appointed, its officers and employees appointed, its property transferred, and the privileges granted to it by law exercised and enjoyed.

TENTH. A majority of the shares of the capital stock of this corporation shall, at all times, be held and owned by citizens of the United States, by corporations the controlling interest in which is owned by citizens of the United States, chartered under the laws of the United States or of a state of the United States, or by firms or companies the controlling interest in which is owned by citizens of the United States, or by other institutions approved by the Board pursuant to the thirteenth paragraph of section 25A of the Federal Reserve Act. Provision shall be made in the by-laws for the enforcement of this requirement.

ELEVENTH. This corporation shall have succession for a period of twenty years from the date of the issuance of its preliminary permit to begin business, unless sooner dissolved by an act of its shareholders owning at least two-thirds of its stock, or by an act of Congress, or unless its franchise becomes forfeited by some violation of law; but it may, at any time within two years previous to the date of the expiration of its corporate existence, by vote of the shareholders owning two-thirds of its stock, apply to the Board of Governors of the Federal Reserve System for its

approval to extend the period of its corporate existence for a term of not more than twenty years.

TWELFTH. These articles of association may, with the approval of the Board of Governors of the Federal Reserve System, be amended in the following manner: \_\_\_\_\_

\_\_\_\_\_

IN WITNESS WHEREOF, we have hereunto set our hands, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_

To be signed by at least five natural persons

Signature

Address

\_\_\_\_\_  
\_\_\_\_\_  
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Attachment E

Model Organization Certificate for an Edge Corporation (Section 211.4)

**CORPORATION TO DO BUSINESS  
UNDER SECTION 25 A OF THE FEDERAL RESERVE ACT  
ORGANIZATION CERTIFICATE**

We the undersigned, whose names are specified in Article Fifth of this certificate, having associated ourselves for the purpose of organizing a corporation to do business under Section 25A of the Federal Reserve Act, do make and execute the following organization certificate:

FIRST. The name of this corporation shall be “ \_\_\_\_\_  
\_\_\_\_\_ ”

SECOND. The home office of this corporation shall be located in the United States at \_\_\_\_\_  
\_\_\_\_\_

THIRD. Subject to the prior approval of the Board of Governors of the Federal Reserve System as to the establishment of branches or agencies, the operations of this corporation shall be carried on in the following place or places: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

FOURTH. The capital stock of this corporation shall be \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

FIFTH. The name, the place of business or residence of each person executing this certificate, and the number of shares of this corporation to which each has subscribed, are as follows:

Name	Place of Business or Residence (Town or City, and State)	Number of Shares
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____



SIXTH. This certificate is made in order that we may avail ourselves, and in order that other persons, firms, companies, and corporations who or which may hereafter subscribe to or purchase the shares of the capital stock of this corporation may avail themselves of the advantages of the aforesaid Section 25A of the Federal Reserve Act.

IN WITNESS WHEREOF, we have hereunto set our hands this \_\_\_\_\_ day of \_\_\_\_\_ ,  
19\_\_\_\_\_ .

(To be signed and acknowledged by those who have signed the articles of association)

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

(Acknowledgement must be made before a Judge of Court of Record or Notary Public)

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } ss:

Before the undersigned, a \_\_\_\_\_ of \_\_\_\_\_  
personally appeared \_\_\_\_\_

\_\_\_\_\_ to me well known, who severally acknowledge that they executed the foregoing Certificate for purposes therein mentioned.

WITNESS my hand and seal of office

this \_\_\_\_\_ day of \_\_\_\_\_ , 19 \_\_\_\_\_

(OFFICIAL SEAL  
OF OFFICER)

## Attachment F

### Information Required in Prior Notifications to Establish Domestic Branches of an Edge Corporation (Section 211.4(c))

1. Name of applying Edge corporation.
  2. Amended articles of association, if necessary.
- Provide the following for each proposed branch:
3. Location of proposed branch, and copy of notice published in newspaper of general circulation in area to be served.
  4. Discussion of the ways in which it is believed the branch would further the development of applicant's international or foreign business.
  5. Type of business to be conducted and types of services to be offered, including:
    - a. Whether any existing or planned future business will be transferred to the proposed branch, indicating the volume and type of such business.
    - b. Projected asset size of branch at end of third year of operations.
  6. Description of how the convenience and needs of the community or communities will be served by the proposed branch with respect to international banking and financing services.
    - a. What types of customers are to be served?
    - b. What are the specific services to be provided?
    - c. How are these services now being provided in this market?
  7. Description of the extent, if any, applicant or its affiliates are providing the services, described in item 6 above, in the community or communities to be served by the proposed branch.

## Attachment G

### Information Required in an Application to Amend Articles of Association of an Edge Corporation (Section 211.4(a)(7))

1. An executed and dated certificate of amendment to the articles of association setting forth articles to be amended, as well as the proposed amendments.
2. Brief statement of reason for each of the proposed changes.

## Attachment H

### Information Required in

1. Applications by Member Banks, Edge Corporations or Bank Holding Companies to Invest in Other Foreign Organizations (Section 211.5(c)(4))
2. Applications by Member Banks, Edge Corporations or Bank Holding Companies to Engage in Foreign Activities not Previously Determined to be Permissible (Respond to Items 1, 2b, 2e, 2f, 3, 5, and 6) (Section 211.5(d)(20))

*Note:* Relevant information that has previously been furnished to the Board may be resubmitted in its original form. However, it must be cleared for confidentiality in accordance with the general instructions specified earlier.

1. Name of applicant.
2. Brief description of proposed investment, including:
  - a. Name of business organization and location.
  - b. Discussion of the ways it is believed the investment would further the development of applicant's international or foreign business.
  - c. Cost of shares to be acquired, and relevant exchange rates; state percentage of total voting shares outstanding, and, if different, percentage of total equity to be held. State total and basis for any premiums or other direct or indirect payments for the proposed investment. State whether shares will be fully paid-in, or only partially paid-in with balance due on call. List subordinated debt held or to be held by applicant.
  - d. If the investment is in the shares of a limited liability partnership, furnish details on the liabilities of such shares.
  - e. List significant activities of the company, including fiduciary activities and offices or subsidiaries through which business is or will be conducted.
  - f. Describe fully any activity that is not of a banking or financial nature, or any business conducted directly or indirectly in the United States. For activities not of a banking or financial nature, discuss the risks related to the conduct of the proposed activities as well as any limits, safeguards or controls that will be implemented to mitigate the risks. Also, discuss the degree to which the proposed activities will be supervised by foreign regulatory authorities, and, for any activity that the Board has not previously determined to be of a banking or financial nature, discuss whether the proposed activity is usual in connection with the business of banking or other financial operations in the country in which the activity is to be conducted, supported with examples of whether other banking and financial organizations engage in the activity and how the activity is related to the banking business.
  - g. If the investment involves securities activities, provide information regarding the types of securities to be traded or underwritten, and estimate the volumes of these transactions. Discuss any limits, safeguards or controls that will be implemented to mitigate the risks. Also, discuss the degree to which the proposed activities will be supervised by foreign regulatory authorities.
  - h. Provide a list of directors and senior management, including their principal affiliations, and a list of all shareholders holding 10 percent or more of any class of the shares of the company.
3. Financial information:
  - a. Provide recent, audited comparative balance sheets and income statements in English (indicating relevant exchange rates) for established companies. For new companies, provide in summary form projected balance sheets and income statements (indicating exchange rates used) for three years. Explanation should be provided of any significant deviations from U.S. Generally Accepted Accounting Principles (GAAP).
  - b. Explain any credit arrangements, direct or indirect, granted or expected to be granted by the investor or its affiliates to the company, or vice versa.
  - c. Provide details of any capital or other financial requirements that the company must adhere to in accordance with local law.
4. Country exposure:
  - a. If there has been a more than 25 percent change in the investor's (and its affiliates') consolidated exposure to the country of the proposed investment from that reported in the most recently filed Country Exposure Report (FFIEC 009), show the consolidated direct and indirect exposure to borrowers from this country. The exposure in question is both (1) cross-border exposure (which may be calculated for this purpose by adding the figures under columns 4, 14, 15, and 16 of the FFIEC 009 and subtracting the sum of columns 10, 11, and 12); and (2) net local currency exposure (subtract column 18 from column 17).
  - b. If the investor has not previously filed a Country Exposure Report, the investor should estimate its direct and indirect exposures to borrowers from this country. In making this estimate, loans to, and claims on, a bank whose head office is located in the country where the investment is to be made should be considered exposure to that country, regardless of where the loan is extended or the claim arises.
  - c. If projections indicate that at the end of the third year of operations of the proposed investment, the direct and indirect exposure, as calculated above, will increase by more than 25 percent from levels at the time of the investment and this amount is greater than 25 percent of consolidated capital, show the projected consolidated exposure for that country.
5. Additional information for investments in joint ventures:
  - a. Describe any contracts to be entered into in connection with the proposed investment, including agreements of support, management agreements, technical services agreements, and the like. Attach a copy or draft of the contracts.
  - b. State who will exercise effective control. Also describe any veto powers that applicant or other shareholders will exercise.

- c. Provide details concerning the financial resources of holders of more than 10 percent of the shares of the proposed joint venture including, for corporate entities, total assets, stockholders' equity, and net income for the latest complete year, and, for individual shareholders, a short biography, indicating net worth, if possible.
  - d. Provide details of major management committees, including responsibilities of such committees and stockholder representation.
  - e. Provide details of any special relationships between the applicant (and its affiliates) and other shareholders in the company, including any equity interests in, or any credit granted to, other shareholders for purchase of the proposed investment.
  - f. State the percentages of consolidated assets and revenues attributable to activities not permissible to a subsidiary in regard to Section 211.5(b)(1)(i) of Regulation K.
  - g. Describe the extent to which applicant's identity will be associated with the company.
6. Compliance with foreign requirements:
- a. Provide information concerning the status of any foreign government approval required.
  - b. For additional investments due to changes in local government requirements, provide a copy of the relevant laws or regulations in English or, if not available, provide a summary of the pertinent provisions.

## Attachment I

### Information Required in Prior Notifications by Member Banks, Edge Corporations or Bank Holding Companies to Invest in Other Foreign Organizations (Section 211.5(c)(3))

1. Name of U.S. investor.
2. Name and location (city and country) of foreign company.
3. Amount of investment and percentage of ownership as a result of the investment.
4. Brief description of proposed activities, including citation of the paragraph(s) of Regulation K under which the activities are authorized. If the investment involves securities activities, provide information regarding the types of securities to be traded or underwritten, and estimate the volumes of these transactions. Discuss any limits, safeguards or controls that will be implemented to mitigate the risks. Also, discuss the degree to which the proposed activities will be supervised by foreign regulatory authorities.
5.
  - a. For proposed joint venture investments, describe the ownership structure and the financial and managerial support provided by the investor.
  - b. Describe the extent to which notificant's identity will be associated with the joint venture.
6.
  - a. If an investment is being made in a *de novo* foreign bank or nonbank company, indicate the approximate projected asset size of the company at the end of its third year of operations following the proposed investment.
  - b. For investments in established companies, submit an abbreviated balance sheet and income statement for such companies. For an additional investment in a subsidiary, reference may be made to the Report of Condition for the subsidiary (Form 2314), provided the information is no more than approximately six months old.

## Attachment J

### Information Required in Prior Notifications to Establish Export Trading Companies (Section 211.34)

*Note:* Relevant information that has previously been furnished to the Board may be resubmitted in its original form. However, it must be cleared for confidentiality in accordance with the general instructions specified earlier.

1. Name of notifying organization.
  2. Brief description of proposed investment, including:
    - a. Name of business organization and location.
    - b. Cost of shares to be acquired; indicate number, type, and percentage of total voting shares outstanding, and, if different, percentage of total equity to be held. State total and basis for any premiums or other direct or indirect payments for the proposed investment. State whether shares will be fully paid-in, or only partially paid-in with balance due on call. List subordinated debt held or to be held by applicant.
    - c. If the investment is in the shares of a limited liability partnership, furnish details on the liabilities of such shares.
    - d. List offices or subsidiaries through which business is or will be conducted.
    - e. Provide a list of directors and senior management, including their principal affiliations, and a list of all shareholders holding 10 percent or more of any class of the shares of the company.
    - f. Describe significant activities of the company and discuss how company will control risks arising from those activities not of a traditional banking or financial nature.
  3. Financial information:
    - a. Provide recent, audited comparative balance sheets and income statements for established companies. For new companies, provide projected balance sheets (including projected inventories) and income statements for three years.
  4. Additional information for investments in joint ventures:
    - a. Describe any contracts to be entered into in connection with the proposed investment, including agreements of support, management agreements, technical services agreements, and the like. Attach a copy or draft of the contracts.
    - b. State who will exercise effective control. Also, describe any veto powers that applicant or other shareholders will exercise.
    - c. Provide details concerning the financial resources of holders of more than 10 percent of the shares of the proposed joint venture, including for corporate entities, total assets, stockholders' equity, and net income for the latest complete year, and, for individual shareholders, a short biography indicating net worth, if possible.
    - d. Provide details of major management committees, including responsibilities of such committees and stockholder representation.
    - e. Provide details of any special relationships between the notifying organization (and its affiliates) and other shareholders in the company, including any equity interests in, or any credit granted to, other shareholders for purchase of the proposed investment.
    - f. Describe the extent to which the notifying organization's identity will be associated with the company.
- Discuss briefly the proposed leveraging of the company, as well as the assumptions and strategies supporting the projections.
- b. Explain any credit arrangements direct or indirect, granted or expected to be granted by the investor or its affiliates to company, or vice versa.