

Dated: August 20, 2009.

Andrew M. Gaydosh,

Acting Regional Administrator, Region 8.

[FR Doc. E9-20801 Filed 9-1-09; 8:45 am]

BILLING CODE 6560-50-P

FARM CREDIT ADMINISTRATION

Farm Credit Administration Board; Regular Meeting

AGENCY: Farm Credit Administration.

SUMMARY: Notice is hereby given, pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), of the regular meeting of the Farm Credit Administration Board (Board).

Date and Time: The regular meeting of the Board will be held at the offices of the Farm Credit Administration in McLean, Virginia, on September 10, 2009, from 9 a.m. until such time as the Board concludes its business.

FOR FURTHER INFORMATION CONTACT: Roland E. Smith, Secretary to the Farm Credit Administration Board, (703) 883-4009, TTY (703) 883-4056.

ADDRESSES: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

SUPPLEMENTARY INFORMATION: Parts of this meeting of the Board will be open to the public (limited space available), and parts will be closed to the public. In order to increase the accessibility to Board meetings, persons requiring assistance should make arrangements in advance. The matters to be considered at the meeting are:

Open Session

A. Approval of Minutes

- August 13, 2009.

B. New Business

- Fall 2009 Abstract of the Unified Agenda of Federal Regulatory and Deregulatory Actions and Fall 2009 Regulatory Performance Plan.

Closed Session*

A. Reports

- Office of Secondary Market Oversight Quarterly Report.

B. New Business

- Supervisory Actions.

Dated: August 28, 2009.

Roland E. Smith,

Secretary, Farm Credit Administration Board.

*Session Closed—Exempt pursuant to 5 U.S.C. 552b(c)(8) and (9).

[FR Doc. E9-21291 Filed 8-31-09; 4:15 pm]

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FEDERAL DEPOSIT INSURANCE CORPORATION

RIN 3064-AD47

Final Statement of Policy on Qualifications for Failed Bank Acquisitions

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Final statement of policy.

SUMMARY: The FDIC is issuing a Final Statement of Policy on Qualifications for Failed Bank Acquisitions (Final Statement). This Final Statement provides guidance to private capital investors interested in acquiring or investing in failed insured depository institutions regarding the terms and conditions for such investments or acquisitions.

DATES: *Effective Date:* August 26, 2009.

FOR FURTHER INFORMATION CONTACT: Catherine Topping, Counsel, Legal Division, (202) 898-3975 or ctopping@fdic.gov, Charles A. Fulton, Counsel, Legal Division, (703) 562-2424 or chfulton@fdic.gov, Lisa Arquette, Associate Director, (202) 898-8633 or larquette@fdic.gov, or Mindy West, Chief, Policy and Program Development, Division of Supervision and Consumer Protection, (202) 898-7221 or miwest@fdic.gov.

SUPPLEMENTARY INFORMATION:

I. Background

On July 9, 2009, the FDIC published for comment a Proposed Statement of Policy on Qualifications for Failed Bank Acquisitions (Proposed Policy Statement) with a 30-day comment period to provide guidance to private capital investors interested in acquiring the deposit liabilities, or both such liabilities and assets, of failed insured depository institutions regarding the terms and conditions for such investments or acquisitions.¹ After carefully reviewing and considering all comments, the FDIC has adopted certain revisions and clarifications to the Proposed Policy Statement (as discussed in Part III) in the Final Statement.

The FDIC is aware of the need for additional capital in the banking system and the contribution that private equity capital could make to meeting this need provided this contribution is consistent with basic concepts applicable to the ownership of insured depository institutions that are contained in the established banking laws and regulations. The preamble to the Proposed Policy Statement explained

that in view of the increased number of bank and thrift failures and the increase in interest by private capital investors in acquiring insured depository institutions in receivership, the FDIC determined to issue, in proposed form, guidance to potential acquirers. In developing the Proposed Policy Statement, the FDIC sought to establish the proper balance in a number of important areas including the level of capital required for these de novo institutions and whether these owners would be a source of strength to the banks and thrifts in which they have invested. The FDIC also considered the important policy issues raised by the structure of investments in insured depository institutions, particularly with respect to their compliance with the requirements applied by the FDIC in its decision on the granting of deposit insurance and with the statutes and regulations aimed at assuring the safety and soundness of insured depository institutions and protecting the Deposit Insurance Fund (“DIF”).

In the Introduction to the Proposed Policy Statement, the FDIC set forth its reasons for adopting a policy on private capital participating in the acquisition of or investment in failed insured depository institutions. In part, the Introduction stated:

Capital investments by individuals and limited liability companies acting through holding companies operating within a well developed prudential framework has long been the dominant form of ownership of insured depository institutions. From the perspective of the FDIC’s interest as insurer and supervisor of insured depository institutions, this framework has included, in particular, measures aimed at maintaining well capitalized bank and thrift institutions, support for these banks when they face difficulties, and protections against insider transactions. The ability of the owners to provide financial support to depository institutions with adequate capital and management expertise are essential safeguards. These safeguards are particularly appropriate for owners of insured depository institutions given the important benefits conferred on depository institutions by deposit insurance.

* * * The FDIC is also aware that new banks, regardless of their investor composition, pose an elevated risk to the deposit insurance fund since they generally lack a core base of business, a proven track record in the banking industry, and are vulnerable to significant losses in the early years of incorporation.

The FDIC is of the view that private capital participation in the acquisition of the deposit liabilities, or both such liabilities and assets, from a failed depository institution in receivership should be consistent with the foregoing basic elements of insured depository institution ownership. * * *

¹ 74 FR 32931 (Jul. 9, 2009)