

§ 558.2

statement shall be conclusive evidence thereof.

(6) Post a notice on the door of the principal and other offices of the savings association in the form prescribed by the Director of the OTS.

(7) By operation of law and without any conveyance or other instrument, act or deed, succeed to the rights, titles, powers and privileges of the savings association, and to the rights, powers, and privileges of its stockholders, members, accountholders, depositors, officers, and directors. No stockholder, member, accountholder, depositor, officer or director shall thereafter have or exercise any right, power, or privilege, or act in connection with any of the savings association's assets or property.

[58 FR 4312, Jan. 14, 1993, as amended at 59 FR 53571, Oct. 25, 1994]

§ 558.2 Notice of appointment.

If the Director of the OTS appoints a conservator or receiver under this part, notice of the appointment shall be filed immediately for publication in the FEDERAL REGISTER.

[59 FR 53571, Oct. 25, 1994]

PART 559—SUBORDINATE ORGANIZATIONS

Sec.

559.1 What does this part cover?

559.2 Definitions.

Subpart A—Regulations Applicable to Federal Savings Associations

559.3 What are the characteristics of, and what requirements apply to, subordinate organizations of Federal savings associations?

559.4 What activities are preapproved for service corporations?

559.5 How much may a savings association invest in service corporations or lower-tier entities?

Subpart B—Regulations Applicable to All Savings Associations

559.10 How must separate corporate identities be maintained?

559.11 What notices are required to establish or acquire a new subsidiary or engage in new activities through an existing subsidiary?

12 CFR Ch. V (1–1–06 Edition)

559.12 How may a subsidiary of a savings association issue securities?

559.13 How may a savings association exercise its salvage power in connection with its service corporation or lower-tier entities?

AUTHORITY: 12 U.S.C. 1462, 1462a, 1463, 1464, 1828.

SOURCE: 61 FR 66571, Dec. 18, 1996, unless otherwise noted.

§ 559.1 What does this part cover?

(a) OTS is issuing this part 559 pursuant to its general rulemaking and supervisory authority under the Home Owners' Loan Act, 12 U.S.C. 1462 *et seq.*, and its specific authority under section 18(m) of the Federal Deposit Insurance Act, 12 U.S.C. 1828(m). Subpart A of this part 559 applies to subordinate organizations of federal savings associations. Subpart B of this part applies to subordinate organizations of all savings associations. OTS may, at any time, limit a savings association's investment in any of these entities, or may limit or refuse to permit any activities of any of these entities for supervisory, legal, or safety and soundness reasons.

(b) Notices under this part are applications for purposes of statutory and regulatory references to "applications." Any conditions that OTS imposes in approving any application are enforceable as a condition imposed in writing by the OTS in connection with the granting of a request by a savings association within the meaning of 12 U.S.C. 1818(b) or 1818(i).

§ 559.2 Definitions.

For purposes of this part:

Control has the same meaning as in part 574 of this chapter.

GAAP-consolidated subsidiary means an entity in which a savings association has a direct or indirect ownership interest and whose assets are consolidated with those of the savings association for purposes of reporting under Generally Accepted Accounting Principles (GAAP). Generally, these are entities in which a savings association has a majority ownership interest.

Lower-tier entity includes any company in which an operating subsidiary or a service corporation has a direct or indirect ownership interest.