

implementing regulations following consummation of the merger.

Significant unresolved AML/CFT concerns or uncorrected problems, or an outstanding or proposed formal or informal enforcement action that includes provisions related to AML/CFT, will generally result in unfavorable findings on this factor.<sup>74</sup> In limited cases, sufficient mitigating factors may support a favorable finding, such as when an acquirer with a strong AML/CFT program replaces a target entity's less than satisfactory program and presents an appropriate plan to address the target entity's deficiencies.

## V. Other Matters and Considerations

### *Interstate Merger Transactions*

In cases where section 44 of the FDI Act applies to an interstate merger transaction, the FDIC will ensure that the additional requirements and restrictions of section 44 are satisfied.<sup>75</sup>

### *Applications Involving Non-Banks or Banks That Are Not Traditional Community Banks*

Historically, most merger transactions considered by the FDIC have involved traditional community banks. In general, traditional community banks focus on providing the banking services, including loans and core deposits, typically relied on by individuals and businesses in their local communities. However, merger applications may also involve non-banks<sup>76</sup> or banks that are not traditional community banks, which may involve more complexity than a traditional community bank in terms of its business model, products, services, activities, market segments, funding, delivery channels, geographic footprint, operations, or intercompany or other third-party relationships. Merger applications where the resulting IDI will be a non-bank or not a traditional community bank are subject to the same statutory factors as any other merger application. However, the FDIC will appropriately tailor its review to the nature, complexity, and scale of the entities involved in the transaction and the underlying business model. The FDIC's Washington Office or FDIC Board reserve authority to act on certain merger applications that do not involve traditional community banks.

<sup>74</sup> See generally note 41.

<sup>75</sup> See 12 U.S.C. 1831u.

<sup>76</sup> A "non-bank" refers to an IDI that is a bank for purposes of the FDI Act, but that is not a bank for purposes of the Bank Holding Company Act (BHCA). Non-banks may be owned by parent companies that are not subject to the BHCA, and therefore may not be regulated or supervised by the FRB.

### *Applications Involving Operating Non-Insured Entities*

Applications may involve an existing IDI merging with an operating entity that is not FDIC-insured. Operating non-insured entities may vary widely in the type of business and activities conducted (e.g., credit unions, which typically offer products and services consistent with a traditional community bank, mortgage companies, financing companies, payment services firms, or other types of entities whose business model may have elements more consistent with that of a non-community bank). Merger applications that involve an operating non-insured entity are subject to the same statutory factors as any other merger application. However, in reviewing such applications, the FDIC will also consider the nature and complexity of the non-insured entity, its scale relative to the existing IDI, its current condition and historical performance, and any other relevant information regarding the entity's operations or risk profile.

The FDIC will review audited financial statements (covering at least three years, unless the entity's operating history is shorter) and assess any deferred tax assets or liabilities, intangible assets, contingent liabilities, and any recent or pending legal or regulatory actions. Further, independent appraisals or valuations may be necessary to support the projected value of any business (or assets) expected to be transferred from the operating non-insured entity to the resultant IDI through the merger transaction.

## VI. Resources

FDIC Bank Application Resource page, <https://www.fdic.gov/regulations/applications/resources/>  
 FDIC Regional Offices, <https://www.fdic.gov/about/contact/directory/region.html>  
 FDIC Law, Regulations, Related Acts, <https://www.fdic.gov/regulations/laws/rules/>  
 Section 18(c) of the FDI Act, 12 U.S.C. 1828(c)  
 Section 42 of the FDI Act, 12 U.S.C. 1831r-1  
 Section 44 of the FDI Act, 12 U.S.C. 1831u  
 12 CFR part 303, subparts A and D  
 Interagency Policy Statement Concerning Branch Closing Notices and Policies, 64 FR 34845 (June 29, 1999)  
 Applications Procedures Manual (APM), <https://www.fdic.gov/bank-examinations/applications-procedures-manual>  
 Section 1 of the FDIC APM, <https://www.fdic.gov/system/files/2024-07/section-01-01-overview.pdf>  
 Section 4 of the FDIC Application Procedures Manual, <https://www.fdic.gov/system/files/2024-07/section-04-mergers.pdf>

FDIC Delegations of Authority—Filings, <https://www.fdic.gov/regulations/laws/matrix/index.html>

Interagency Bank Merger Act Form, <https://www.fdic.gov/formsdocuments/f6220-01.pdf>

Deposit Market Share Reports—Summary of Deposits, <https://www2.fdic.gov/sod>

Federal Reserve Bank of St. Louis, Competitive Analysis and Structure Source Instrument for Depository Institutions, <https://cassidi.stlouisfed.org/index>

Federal Deposit Insurance Corporation.

By order of the Board of Directors.

Dated at Washington, DC, on September 17, 2024.

**James P. Sheesley,**

*Assistant Executive Secretary.*

[FR Doc. 2024–22189 Filed 9–26–24; 8:45 am]

**BILLING CODE 6714–01–P**

## DEPARTMENT OF STATE

### 22 CFR Part 126

[Public Notice: 12515]

RIN 1400–AF87

### Amendment to the International Traffic in Arms Regulations: Prohibited Exports, Imports, and Sales to or From Certain Countries—Cyprus

**AGENCY:** Department of State.

**ACTION:** Final rule.

**SUMMARY:** The Department of State is amending the International Traffic in Arms Regulations to reflect current defense trade policy toward Cyprus.

**DATES:** This rule is effective on October 1, 2024.

**FOR FURTHER INFORMATION CONTACT:** Mr. Hershel Tamboli, Foreign Affairs Officer, Office of Defense Trade Controls Policy, U.S. Department of State, telephone (771) 204–0008; email [DDTCCustomerService@state.gov](mailto:DDTCCustomerService@state.gov). ATTN: Regulatory Change, ITAR Section 126.1 Cyprus Country Policy Update.

**SUPPLEMENTARY INFORMATION:** The Department of State (the Department) amends section 126.1 of the International Traffic in Arms Regulations (ITAR) (22 CFR parts 120 through 130) to specify that the Republic of Cyprus' status as a proscribed destination is suspended from October 1, 2024, through September 30, 2025. This action continues the Department's current policy, which originally lifted the arms embargo to the Republic of Cyprus, under section 126.1 of the ITAR, on October 1, 2022.

Specifically, section 1250A(d) of the National Defense Authorization Act for

Fiscal Year 2020 (Pub. L. 116–92) (2020 NDAA) and section 205(d) of the Eastern Mediterranean Security and Energy Partnership Act of 2019 (Pub. L. 116–94, Div. J.) (EMSEPA) provide that the policy of denial for exports, reexports, and transfers of defense articles on the United States Munitions List to the Republic of Cyprus shall remain in place unless the President determines and certifies to the appropriate congressional committees not less than annually that: (A) the Government of the Republic of Cyprus is continuing to cooperate with the United States Government in efforts to implement reforms on anti-money laundering regulations and financial regulatory oversight; and (B) the Government of the Republic of Cyprus has made and is continuing to take the steps necessary to deny Russian military vessels access to ports for refueling and servicing.

On April 14, 2020, the President delegated to the Secretary of State the functions and authorities vested by the 2020 NDAA and the EMSEPA (85 FR 35797, June 12, 2020). On August 19, 2024, utilizing these authorities, the Secretary of State certified to the appropriate congressional committees that the Republic of Cyprus meets the statutory requirements to remove the policy of denial for exports, reexports, and transfers of defense articles to the Republic of Cyprus for fiscal year 2025. The Secretary of State further approved the suspension of the policy of denial for exports, reexports, and transfers of defense articles and defense services to the Republic of Cyprus for fiscal year 2025. In conjunction with this action, the Secretary of State also suspended the policy of denial for retransfers and temporary imports destined for or originating in the Republic of Cyprus and brokering activities involving the Republic of Cyprus for fiscal year 2025.

As a result of this certification, certain exemptions to licensing requirements continue to be available for exports, reexports, retransfers, and temporary imports destined for or originating in the Republic of Cyprus and brokering activities involving the Republic of Cyprus, provided the conditions for use of those exemptions are met. Applications for licenses and other authorizations submitted to the Directorate of Defense Trade Controls involving the Republic of Cyprus and nationals of the Republic of Cyprus are subject to case-by-case review.

## Regulatory Analysis and Notices

### *Administrative Procedure Act*

This rulemaking involves a military or foreign affairs function of the United States under 5 U.S.C. 553(a). As the provisions of section 553 do not apply to this rulemaking, the Department is publishing this rule with a specified effective date and without a request for public comment.

### *Regulatory Flexibility Act*

Since this rule is exempt from the notice-and-comment rulemaking provisions of 5 U.S.C. 553, it does not require analysis under the Regulatory Flexibility Act.

### *Unfunded Mandates Reform Act of 1995*

This rulemaking does not involve a mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

### *Congressional Review Act*

It is the view of the Office of Information and Regulatory Affairs that this rulemaking is not a major rule under the criteria of 5 U.S.C. 804. This rule will not increase costs or prices and should have no adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic and export markets. The Department does not expect this rule to have an annual effect on the economy of \$100 million or more.

### *Executive Orders 12372 and 13132*

This rulemaking will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this amendment does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities do not apply to this rulemaking.

### *Executive Orders 12866, 13563, and 14094*

Executive Orders 12866 (as amended by Executive Order 14094) and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributed impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. Because the scope of this rule implements a governmental policy expanding defense trade with a country, and does not impose additional regulatory requirements or obligations, the Department believes costs associated with this rule will be minimal. This rule has been designated as a significant regulatory action by the Office of Information and Regulatory Affairs under Executive Order 12866, as amended.

### *Executive Order 12988*

The Department of State has reviewed this rulemaking in light of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

### *Executive Order 13175*

The Department of State has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

### *Paperwork Reduction Act*

This rulemaking does not impose or revise any information collections subject to 44 U.S.C. Chapter 35.

## List of Subjects in 22 CFR Part 126

Arms and munitions, Exports.

Accordingly, for the reasons set forth above, Title 22, Chapter I, Subchapter M, part 126 is amended as follows:

## PART 126—GENERAL POLICIES AND PROVISIONS

■ 1. The authority citation for part 126 continues to read as follows:

**Authority:** 22 U.S.C. 287c, 2651a, 2752, 2753, 2776, 2778, 2779, 2779a, 2780, 2791, 2797; Sec. 1225, Pub. L. 108–375, 118 Stat. 2091; Sec. 7045, Pub. L. 112–74, 125 Stat. 1232; Sec. 1250A, Pub. L. 116–92, 133 Stat. 1665; Sec. 205, Pub. L. 116–94, 133 Stat.

3052; E.O. 13637, 78 FR 16129, 3 CFR, 2013 Comp., p. 223.

■ 2. Amend § 126.1 by revising paragraph (r)(2) to read as follows:

**§ 126.1 Prohibited exports, imports, and sales to or from certain countries.**

\* \* \* \* \*

(r) \* \* \*

(2) From October 1, 2024, through September 30, 2025, the policy of denial and the status of Cyprus as a proscribed destination is suspended.

\* \* \* \* \*

**Bonnie D. Jenkins,**

*Under Secretary, Arms Control and International Security, Department of State.*

[FR Doc. 2024-21849 Filed 9-26-24; 8:45 am]

BILLING CODE 4710-25-P

**DEPARTMENT OF HOMELAND SECURITY**

**Coast Guard**

**33 CFR Part 165**

[Docket Number USCG-2024-0868]

RIN 1625-AA87

**Security Zone; Monongahela River Mile Markers 0-43.5, Allegheny River Mile Markers 0-14.5, and Ohio River Mile Markers 0-28.5 and 89-93, Pittsburgh, PA**

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing four security zones for certain navigable waters on the Allegheny, Monongahela, and Ohio Rivers to prevent waterside threats for persons under the protection of the United States Secret Service (USSS). These security zones will be enforced intermittently and when persons under USSS protection are in the area. This rule prohibits vessels and people from entering or remaining in the zones unless specifically exempt under the provisions of this rule or granted specific permission from the Captain of the Port Pittsburgh. The regulation will enhance the safety and security of persons and property, while minimizing, to the extent possible, the impact on commerce and legitimate waterway use.

**DATES:** This rule is effective without actual notice from September 27, 2024 through November 30, 2024. For the purpose of enforcement, actual notice will be used from September 23, 2024, until September 27, 2024. This rule will be enforced when persons under USSS

protection are in the vicinity of one of the security zone areas.

**ADDRESSES:** To view documents mentioned in this preamble as being available in the docket, go to <https://www.regulations.gov>, type USCG-2024-0868 in the search box and click “Search.” Next, in the Document Type column, select “Supporting & Related Material.”

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Marine Science Technician First Class Brett Lanzel, Marine Safety Unit Pittsburgh, U.S. Coast Guard; telephone 206-815-6624, email [brett.j.lanzel@uscg.mil](mailto:brett.j.lanzel@uscg.mil).

**SUPPLEMENTARY INFORMATION:**

**I. Table of Abbreviations**

CFR Code of Federal Regulations  
COTP Captain of the Port Pittsburgh  
DHS Department of Homeland Security  
FR Federal Register  
NPRM Notice of proposed rulemaking  
§ Section  
U.S.C. United States Code

**II. Background Information and Regulatory History**

On seven separate occasions since February 2024, the COTP has established temporary security zones encompassing certain U.S. navigable waters on the Allegheny, Monongahela and Ohio River. These security zones were established and enforced at the request of the U.S. Secret Service (USSS) to support security measures required during visits by high-ranking United States government officials.

There is a high likelihood that between September 23, 2024, and November 30, 2024, there will be several visits to the Pittsburgh, PA area by persons under USSS protection. Most of these visits will occur with less than two weeks’ notice. Therefore, the Coast Guard is establishing these security zones to notify the public that when these visits occur, the Coast Guard may enforce one or more security zones to ensure the safety of the protected persons, vessels, bridges, and the public while the protected persons transit bridges or are at waterfront facilities. The security zones will be enforced only when protected persons are in the area. The Coast Guard will provide local notice for each instance the security zones will be enforced.

The Coast Guard is issuing this temporary rule under the authority in 5 U.S.C. 553(b)(B). This statutory provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those

procedures are “impracticable, unnecessary, or contrary to the public interest.” Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable and contrary to the public interest to delay the effective date of this rule due to the short time period between event planners notifying the Coast Guard and the effective date needed for the security zones.

It is impracticable because this security zone must be established by September 23, 2024, to provide for the security of life on the navigable waters during anticipated dignitary visits, and we lack sufficient time to provide a reasonable comment period and then consider those comments before issuing this rule. And publishing an NPRM is contrary to the public interest because waiting for the NPRM process would delay the establishment of the security zone until after the date of anticipated dignitary visits.

Additionally, under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. As previously mentioned above, delaying the effective date of this rule would be impracticable and contrary to the public interest because action is needed by September 23, 2024, to ensure the security of the of life on the navigable waters during a dignitary visit.

**III. Legal Authority and Need for Rule**

The Coast Guard is issuing this rule under authority in 46 U.S.C. 70051 and 70124. The Captain of the Port Pittsburgh (COTP) has determined that four security zone are needed to protect various visiting dignitaries, persons, and property during multiple anticipated visits between September 23, 2024, until November 30, 2024. This rule is necessary to provide waterside security and protection when persons under USSS protection are in these areas. These security zones will protect both the persons under USSS protection, vessels and certain shoreside facilities, and the public from potential hazards and threats.

**IV. Discussion of the Rule**

This rule establishes four security zones that will be enforced at one (1) mile segments for up to six (6) hours each during various dignitary bridge crossings or waterside events from September 23, 2024, through November 30, 2024. The Coast Guard will provide local notice for each instance of enforcement. This rule is necessary to