market area and short-distance relocation area of the office site that has been approved in accordance with § 545.92 of this part or paragraph (a) of this section. The short-distance relocation area of an office site is:

(i) The area within a 1,000-foot radius of the site if it is located within a central city of a Metropolitan Statistical Area (''MSA'') designated by the U.S. Department of Commerce;

(ii) The area within a one-mile radius of the site if it is located within an MSA designated by the U.S. Department of Commerce but not within a central city; or

(iii) The area within a two-mile radius of the site if it is not located within a MSA.

(2) An association shall notify the OTS in writing at least 30 days before such an office relocation and may proceed with the relocation unless, within 30 days of receipt of the notice, the OTS notifies the association that the relocation does not satisfy the criteria set forth in the first sentence of paragraph (c)(1) of this section, in which case the association must file an application and obtain approval by the OTS in accordance with paragraph (b) of this section.

[57 FR 14341, Apr. 20, 1992, as amended at 62 FR 64146, Dec. 4, 1997]

§ 545.96 Agency.

(a) *General.* A Federal savings association may, without approval of the Office, to the extent authorized by its board of directors, establish or maintain agencies that only service and originate (but do not approve) loans and contracts or manage or sell real estate owned by the Federal savings association.

(b) *Additional services.* Except for payment on savings accounts, offering of any services not listed in paragraph (a) of this section may be approved by the OTS.

(c) *Records.* An agency shall maintain records of all business it transacts and transmit copies to a branch or home office of the Federal savings association.

[54 FR 49492, Nov. 30, 1989, as amended at 54 FR 50614, Dec. 8, 1989; 55 FR 13512, Apr. 11, 1990; 57 FR 14342, Apr. 20, 1992]

§ 545.101 Fiscal agency.

A Federal savings association designated fiscal agent by the Secretary of the Treasury or with Office approval by another instrumentality of the United States, shall, as such, perform such reasonable duties and exercise only such powers and privileges as the Secretary of the Treasury or such instrumentality may prescribe.

§ 545.103 Suretyship.

Pursuant to the authority given to the Office under section 5(b)(2) of the Act, a Federal savings association is authorized to enter into an agreement to act as surety subject to the following provisions:

(a) A savings association may enter into a suretyship agreement only if performance under the agreement would create an obligation authorized for investment by a savings association. A savings association's obligation under the suretyship agreement will be treated as a loan to its principal for purposes of the requirements of §§ 563.93 and 563.43 of this chapter.

(b) A savings association must take and maintain a security interest in real estate or marketable securities of its principal having a market value of at least 110 percent of the savings association's suretyship obligation. If real estate, the value must be established by a signed appraisal consistent with the requirements of part 564 of this chapter. In determining compliance with the 110 percent requirement, the savings association must consider the value of prior mortgages, liens or other encumbrances on the property, except those held by the party for whose protection the suretyship agreement is made. If marketable securities, such securities must be of a type in which the savings association is authorized to invest, and the savings association must provide for maintenance of the security at the required level during the term of the suretyship agreement.

(c) To the extent a savings association is required to meet its obligation under a suretyship agreement, the amount expended shall be treated as an extension of credit subject to percentage-of-assets limits in accordance with