

Board of Governors of the Federal Reserve System



Notification by a Bank Holding Company to Acquire a Nonbank Company and/or Engage in Nonbanking Activities—FR Y-4

Corporate Title of Notificant

Street Address

City State Zip Code

Hereby provides the Board with a notice pursuant to:

- (1) Section 4(c)(8) and 4(j) of the Bank Holding Company Act of 1956, as amended ("BHC Act"— 12 U.S.C. § 1843), under the "Expedited action for certain nonbanking proposals by well-run bank holding companies" as described in section 225.23 of Regulation Y; or
- (2) Section 4(c)(8) and 4(j) of the BHC Act, under the "Procedures for other nonbanking proposals" as described in section 225.24 of Regulation Y;

for prior approval to engage directly or indirectly in certain nonbanking activities, *de novo*, through acquisition of the assets of a going concern, or through direct or indirect ownership, control, or power to vote at least _____ (_____ %) of the voting shares of: _____
Number

Corporate Title of Company to be Acquired and/or Description of Nonbanking Activity (refer to section 225.28 of Regulation Y, as applicable)

Street Address

City State Zip Code

Does notificant request confidential treatment for any portion of this submission?

Yes

As required by the General Instructions, a letter justifying the request for confidential treatment is included.

The information for which confidential treatment is being sought is separately bound and labeled "Confidential."

No

Public reporting burden for this collection of information is estimated to average 0.5 hours for a post-consummation notification, 5 hours for an expedited notification, and 12 hours for a complete notification, including the time to gather and maintain data in the required form, to review instructions, and to complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0121), Washington, DC 20503. The Federal Reserve may not conduct or sponsor, and an organization or a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

DRAFT

Name, title, address, telephone number, and facsimile number of person(s) to whom inquiries concerning this notification may be directed:

Name

Title

Street Address

City State Zip Code

Area Code / Phone Number

Email Address

Name

Title

Street Address

City State Zip Code

Area Code / Phone Number

Email Address

Certification

I certify that the information contained in this notification has been examined carefully by me and is true, correct, and complete, and is current as of the date of this submission to the best of my knowledge and belief. I acknowledge that any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject me to legal sanctions provided by 18 U.S.C. §§ 1001 and 1007.

I also certify, with respect to any information pertaining to an individual and submitted to the Board in (or in connection with) this notification, that the notificant has the authority, on behalf of the individual, to provide such information to the Board and to consent or to object to public release of such information I certify that the notificant and the involved individual consent to public release of any such information, except to the extent set forth in a written request by the notificant or the individual, submitted in accordance with the Instructions to this form and the Board's Rules Regarding

Availability of Information (12 C.F.R. Part 261), requesting confidential treatment for the information.

I acknowledge that approval of this notification is in the discretion of the Board of Governors of the Federal Reserve System (the "Federal Reserve"). Actions or communications, whether oral, written, or electronic, by the Federal Reserve or its employees in connection with this filing, including approval if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, the United States or any other entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of the Federal Reserve to exercise its supervisory, regulatory, or examination powers under applicable laws and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agency of the Federal Reserve or of the United States.

Signed this _____ day of _____, _____
Day Month Year

Signature of Chief Executive Officer or Designee

Print or Type Name Title

INSTRUCTIONS FOR PREPARATION OF

Notification by a Bank Holding Company to Acquire a Nonbank Company and/or Engage in Nonbanking Activities

FR Y-4

Who May Use This Form

This form should be used for notifications filed with the Federal Reserve System (the "Federal Reserve") under section 4 of the Bank Holding Company Act of 1956, as amended (the "BHC Act"—12 U.S.C. 1843) pursuant to sections 225.23 or 225.24 of the Board of Governors of the Federal Reserve System's (the "Board's") Regulation Y, where a bank holding company proposes to engage in a nonbanking activity, either *de novo* or through the acquisition or control of shares or assets of an existing nonbank company.

Exemptions for certain *de novo* activities: A well-run bank holding company (a company meeting the criteria in sections 225.23(c) of Regulation Y) that complies with the requirements in section 225.22(a) of Regulation Y may engage *de novo* in the nonbanking activities listed in section 225.28(b) of Regulation Y (except operating a nonbank insured depository institution) without obtaining the Board's prior approval. However, a notice must be provided to the appropriate Reserve Bank (defined below) within 10 business days after commencing the activity as required by section 225.22(a) of Regulation Y. In fulfilling that notice requirement, the notifying bank holding company should *not* use this form, but instead must provide by letter the information and certifications specified in section 225.22(a)(3) of Regulation Y.

Preparation of Notification

A notificant should consult the Board's Regulation Y (12 CFR Part 225), a copy of which is available on the Board's [public website](#) or from any Reserve Bank. Additional filing information is also available on the Board's [public website](#).

Federal Reserve district in which the head office of Notificant or its sole or principal banking subsidiary either will be or is currently located (i.e. where the senior executives of the consolidated banking organization are located and overall strategic direction is established) (the "appropriate Reserve Bank"). The notificants are encouraged to contact Federal Reserve staff as soon as possible to discuss whether a notification is appropriate for the proposed transaction.

The notification is to be filed by submitting the information requested in this form to the appropriate Reserve Bank. Notificants are strongly encouraged to submit their notifications electronically through the Federal Reserve System's web-based application E-Apps (www.federalreserve.gov/bankinforeg/eapps.htm).¹ Additional information on E-Apps may be found on the Board's [public website](#). Alternative formats to this form, if used, must provide all requested information. In order to be considered properly filed in accordance with the requirements of the BHC Act, the notification must be substantially complete and responsive to each item of information requested (including an indication that the answer is

``not applicable'' or ``none'' if such is the case). Filing Categories

A notificant should identify the specific legal authority(ies) for engaging in the proposed nonbanking activity by referring to section 225.28(b) of Regulation Y – *Activities determined by regulation to be permissible* and provide the citation in this section under which the proposed activity is permissible or, alternatively, refer to the order of the Board of Governors in which the Board previously determined the activity to be so closely related to banking, or managing or controlling banks as to be a proper incident thereto.

For filers submitting notice as described in section [225.23](#) of Regulation Y refer to the following:

Section 225.23(c)(1)-(6) *Criteria for use of expedited procedure.* Address each item of this section to confirm eligibility to file under the expedited procedure or, if not applicable, indicate NA and describe why.

Section 225.23(a)(1) *Information required.* Provide a detailed response to each item or, if not applicable, indicate NA and describe why.

For filers submitting notice as described in section [225.24](#) of

Regulation Y refer to the following:

Section 225.24(a)(1) *Engaging de novo in listed activities*. If filer proposed to commence the activity “de novo,” provide the information identified in this paragraph.

Section 225.24(a)(2) *Acquiring company engaged in listed activities*. If filer proposes to acquire an ongoing concern, provide a detailed response to each item or, if not applicable, indicate NA and describe why.

Section 225.24(b)(1) *Notice to public. Listed activities and*

activities approved by order. The Reserve Bank will publish notice in the *Federal Register* for activities in these categories.

- (1) *Expedited Nonbanking Proposals*—A well-run bank holding company may (i) engage *de novo* in any nonbanking activity approved by Board order and (ii) acquire voting shares or assets of a going concern engaged in any nonbanking activity approved by Board regulation (except operating a nonbank insured depository institution) and most nonbanking activities approved by Board order if the bank holding company has

1. The notification may alternatively be submitted in paper form.

DRAFT

General Instructions

provided written notice to the appropriate Reserve Bank at least 12 business days before commencing the proposed activity and the appropriate Reserve Bank or the Board has not indicated within that period that a notice would be required under section 225.24 of Regulation Y. The criteria and information required to comply with the 12 business day prior notice procedure are described in section 225.23 of Regulation Y. This expedited procedure may not be used for proposals to acquire or otherwise operate a nonbank insured depository institution.

Proposals eligible for the 12 business day prior notice procedure in section 225.23 of Regulation Y do not include proposals that the Board has indicated (in section 225.23(c)(3)(ii) of Regulation Y) are subject to the notice procedures provided in section 225.24 of Regulation Y. For example, some activities approved only by Board order may require a notice under section 225.24 of Regulation Y. Questions regarding whether an activity approved by Board order requires a notice under section 225.24 of Regulation Y should be addressed to the appropriate Reserve Bank.

(2) *Other Nonbanking Proposals*—Proposals that do not qualify for the 10 business day post notice procedure (section 225.22(a) of Regulation Y) or the 12 business day prior notice (section 225.23 of Regulation Y) procedure discussed above must comply with the procedures in section 225.24 of Regulation Y. Proposals in which a company would become a bank holding company must also comply with the procedures in section 225.24 of Regulation Y. Proposals that are eligible for processing under authority delegated to the appropriate Reserve Bank will be acted on within 30 calendar days after the notice is filed unless the Notificant is informed otherwise. Proposals that are not otherwise eligible for Reserve Bank processing will normally be acted on by the Board within 60 calendar days after the notice is filed.

(a) *Engaging de novo in Listed Activities*—Proposals to engage *de novo* in any nonbanking activity described in section 225.28(b) of Regulation Y that are filed under the procedures described in this Filing Category must

contain the information set forth in section 225.24(a)(1) of Regulation Y. Proposals to engage *de novo* in operating a nonbank insured depository institution or to engage in nonbanking activities through an initial joint venture are usually viewed as acquisitions for purposes of this paragraph, and must follow the procedures described in paragraph (b) below. Questions regarding whether an activity would be considered *de novo* should be addressed to the appropriate Reserve Bank.

(b) *Acquiring a Company Engaged in Listed Activities*—Proposals to acquire voting shares or assets of a going concern engaged in any nonbanking activity described in section 225.28(b) of Regulation Y, that are filed under the procedures described in this Filing Category, must contain the information set forth in section 225.24(a)(2) of Regulation Y.

(c) *Engaging in or Acquiring a Company Engaged in Unlisted Activities*—Proposals to engage *de novo* or to acquire voting shares or assets of a going concern engaged in any nonbanking activity not described in section 225.28(b) of Regulation Y that are filed under the procedures described in this Filing Category must contain the information set forth in sections 225.24(a)(2) and (4) of Regulation Y.

Proposals involving the acquisition of an insured depository institution that require approval under section 4 of the BHC Act should use this form. The filing must be modified to satisfy the same information and publication requirements that would apply if the savings association or other nonbank insured depository institution to be acquired were a bank. Generally, the notification must satisfy the requirements contained in sections 225.14, 225.15, and 225.16 of Regulation Y. If the notificant is seeking expedited action for the proposal, the bank holding company and the proposal must satisfy all applicable criteria under section 225.14 of Regulation Y. The notificant may use the forms FR Y-3 and FR Y-3N as guides for the type of information that should be included in the notification. Notice of the

DRAFT

proposals also may be filed under section 225.24 of Regulation Y as described in Filing Category (2).

Publication Requirement

Proposals filed under the 12 business day prior notice procedure (section 225.23 of Regulation Y) described in Filing Category (1) do not require public notice. All proposals filed under section 225.24 of Regulation Y described in Filing Category (2) will be published in the *Federal Register* with a public comment period of at least 15 calendar days. The Board will publish notice of the proposal in the *Federal Register* upon receipt of the notification. On written request by the notificant, the notice in the *Federal Register* may be published up to 15 calendar days before the notification is filed.

As a matter of policy, proposals to acquire a savings association also require newspaper publication with a public comment period of at least 30 calendar days after the date of publication. The notice must be published in a newspaper of general circulation in the communities in which the head offices of the notificant bank holding company, its largest subsidiary bank, and each savings association to be directly or indirectly acquired is located. See 12 CFR 262.3(b)(1)(ii)(E). The newspaper notice for a proposal to acquire a savings association also must be published no more than 15 calendar days before and no later than 7 calendar days after the date that the notification is filed with the appropriate Reserve Bank.

Notificant should consult with the appropriate Reserve Bank or the Board's [public website](#) for the specific publication format used at that Reserve Bank. A copy of any required newspaper notice publication must be provided to the appropriate Reserve Bank, as required by Section 262.3(b) of the Board's Rules of Procedure.

Supporting Information

The Federal Reserve specifically reserves the right to require the filing of additional statements and information. The questions in the notification are not intended to limit a notificant's presentation. The notificant bears the full burden for presenting and documenting a case to demonstrate that it meets the statutory criteria for approval. Supporting information for any or all factors, setting forth the basis for the notificant's judgment to this effect, may accompany the notification.

DRAFT

Confidentiality

Under the provisions of the Freedom of Information Act ("FOIA"—5 U.S.C. 552), the notification is a public document and available to the public upon request. Once submitted, a notification becomes a record of the Board and may be requested by any member of the public. Board records generally must be disclosed unless they are determined to fall, in whole or in part, within the scope of one or more of the FOIA exemptions from disclosure. See 5 U.S.C. § 552(b)(1)-(9).

The exempt categories include (but are not limited to) "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (exemption 4), and information that, if disclosed, "would constitute a clearly unwarranted invasion of personal privacy" (exemption 6). The notificant may request confidential treatment for any information submitted in or in connection with its notification that the notificant believes is exempt from disclosure under FOIA. For example, if the notificant is of the opinion that disclosure of commercial or financial information would likely result in substantial harm to its competitive position or that of its subsidiaries, 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.

The request for confidential treatment must be submitted in writing concurrently with the filing of the notification (or subsequent related submissions), and must discuss in detail the justification for confidential treatment. Such justification must be provided for each portion of the notification (or related submissions) for which confidential treatment is requested. The notificant's reasons for requesting confidentiality must specifically describe 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. (A claim that disclosure would violate the law or policy of a foreign country is not, in and of itself, sufficient to exempt information from disclosure. The notificant must demonstrate that disclosure would fall within the scope of one or more of the FOIA exemptions from disclosure.) The notificant must follow the steps outlined immediately below, and certify in the

notification (or related submissions) that these steps have been followed.

Information for which confidential treatment is requested should be: (1) specifically identified in the public portion of the notification (by reference to the confidential section); (2) separately bound; and (3) labeled "CONFIDENTIAL."

With respect to notifications that include information regarding an individual or individuals associated with the proposed transaction, the Board expects the notificant to certify that the notificant has obtained the consent of the individual(s) to public release of such information prior to its submission to the Board or, in the absence of such consent, to submit (or ensure that the individual(s) submit(s)) a timely request for confidential treatment of the information in accordance with these instructions. Information submitted directly by an individual or individuals will become part of the relevant notification record, and, accordingly, will be a Board record subject to being requested by any member of the public under FOIA.

The Federal Reserve will determine whether information submitted as confidential will be so regarded, and will advise the notificant of any decision to make avail-

able to the public information labeled "CONFIDENTIAL." However, it should be understood that, without prior notice to the notificant, the Board may disclose or comment on any of the contents of the notification in the Order or Statement issued by the Board in connection with its decision on the notification. The Board's staff normally will apprise the notificant in the course of the review process that such information may need to be disclosed in connection with the Board's action on the notification.

For further information on the procedures for requesting confidential treatment and the Board's procedures for addressing such requests, consult the Board's Rules Regarding Availability of Information, 12 CFR part 261, including 12 CFR 261.17, which governs requests for confidential treatment.

Compliance

The notificant is expected to comply with all representations and commitments made in this notification. The notificant should immediately contact the appropriate Reserve Bank if there is any change in the proposal prior to consummation.