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## INSTRUCTIONS FOR PREPARATION OF

# Notification to Become a Bank Holding Company and/or Acquire an Additional Bank or Bank Holding Company

## FR Y-3N

### Who May Use This Form

This form should be used for notifications filed with the Federal Reserve System (the “Federal Reserve”) under:

- section 3(a)(5)(C) of the Bank Holding Company Act of 1956, as amended (the “BHC Act”— 12 U.S.C. 1842) for one-bank holding company formations that qualify for the procedures in section 225.17 of the Board of Governors of the Federal Reserve System’s (the Board’s) Regulation Y, and
- sections 3(a)(3) and 3(a)(5) of the BHC Act for banking acquisitions by well-run bank holding companies that qualify for the procedures in section 225.14 of Regulation Y.

This form also should be used when a company or other qualifying entity seeks to acquire 25 percent or more of the total equity of a bank or bank holding company, or otherwise to control a bank or bank holding company under the above procedures.

Form FR Y-3 should be used for applications filed under section 3 of the BHC Act that qualify for the procedures in section 225.15 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 available on the Board’s [public website](#). A notificant may submit a pre-filing before filing a formal notification.

Inquiries regarding the preparation and filing of notifications should be directed to the Reserve Bank of the Federal Reserve district in which the head office of a

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”). 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 applications electronically through the Federal Reserve System’s web-based application E-Apps ([www.federalreserve.gov/bankinforeg/eapps.htm](http://www.federalreserve.gov/bankinforeg/eapps.htm)).<sup>1</sup> Additional information on E-Apps may be found on the Board’s [public website](#).

### Financial Holding Companies

If a notificant seeks to become a financial holding company in connection with the proposed transaction, it must submit the necessary written declaration as part of the FR Y-3N filing. The declaration must conform to section 4(l) of the BHC Act and Regulation Y (sections 225.81 and 225.82, as appropriate). However, the streamlined procedures contemplated by this form are generally not expected to be appropriate for a foreign banking organization seeking to become a financial holding company or an existing financial holding company seeking to acquire a depository institution that is not well capitalized or well managed. A notificant should contact the appropriate Reserve Bank and the Board’s [public website](#) for further information.

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

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# General Instructions

## Filing Categories

- (1) *Notice Procedure for One-Bank Holding Company Formations*—Proposals to form a bank holding company to control a single bank that meet all the criteria in section 225.17(a) of Regulation Y may be consummated within 30 calendar days after providing a notice to the appropriate Reserve Bank that contains all the information described in section 225.17(b) of Regulation Y, unless the appropriate Reserve Bank or the Board has objected to the proposal during the notice period. In such cases, the bank holding company may file an application for prior approval of the proposal under section 225.15 of Regulation Y.
- (2) *Expedited Action for Certain Bank Acquisitions by Well-Run Bank Holding Companies*—Proposals by well-run bank holding companies that meet all the requirements in section 225.14(c) of Regulation Y may acquire additional banks or bank holding companies under section 3 of the BHC Act by filing a notice to the appropriate Reserve Bank that contains all the information described in section 225.14(a)(1) of Regulation Y, unless the appropriate Reserve Bank or the Board has notified the acquiring bank holding company that an application under another provision of Regulation Y is required. The appropriate Reserve Bank or the Board shall act on a proposal under section 225.14 of Regulation Y or notify the bank holding company that an application is required under section 225.15 of Regulation Y within 5 business days after the close of the public comment period. This notice procedure may not be used in certain circumstances, including if certain financial parameters are exceeded. See section 225.14(c) of Regulation Y.

In some cases, a bank holding company acquisition may result in a person or group of persons acquiring control of the bank holding company for purposes of the Change in Bank Control Act (“CIBC Act”). In such case, the requirements of the CIBC Act may be fulfilled by providing, as part of the notice under section 225.14 of Regulation Y, information required under paragraph (6)(A) of the CIBC Act (12 USC § 1817(j)(6)(A)) as well as any financial or other infor-

mation required by the Reserve Bank under section 225.43 of Regulation Y. A person or group of persons that chooses not to provide this information as part of the notice procedure under section 225.14 of Regulation Y must separately comply with the prior notice requirements of the CIBC Act. In these cases, separate compliance could affect the expedited processing time frame provided under section 225.14 of Regulation Y.

## Nonbanking Investments and Activities

Certain additional information is required if an existing bank holding company intends to acquire nonbanking operations, including a savings association or other nonbank insured depository institution, in connection with the acquisition of an additional bank or bank holding company. Any nonbanking investments or activities that are to be acquired under the authority of sections 4(c)(8) and 4(j) of the BHC Act require the prior approval of the

Board and a companion FR Y-4 notification. (See section 225.28 of Regulation Y for a listing of permissible nonbanking activities approved by regulation and section 225.24 of Regulation Y for the procedures to engage in those nonbanking activities.) Any nonbanking operations that are to be acquired under other provisions within section 4 of the BHC Act and that do not require the prior approval of the Board should be identified separately with relevant authorities cited. (See sections 225.22, 225.86 and 225.170 of Regulation Y for activities and investments that generally do not require the prior approval of the Board. Engaging in nonbanking acquisitions pursuant to expedited action under section 225.23 is not appropriate.)

## Publication Requirement

Proposals filed under the procedures for one-bank holding company formations (section 225.17 of Regulation Y) described in Filing Category (1) do not require public notice. All proposals filed under section 225.14 of Regulation Y described in Filing Category (2) must be published in a newspaper of general circulation in the community(ies) in which the head offices of the notificant bank holding company, its largest subsidiary bank, and each bank to be directly or indirectly acquired is located (12 CFR 262.3(b)(1)(ii)(E)). The

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# General Instructions

newspaper notice must provide an opportunity for the public to submit written comments on the proposal for at least 30 calendar days after the date of publication, and 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. The Board will publish notice of the proposal in the *Federal Register* upon receipt of the notification. On written request by a notificant, the notice in the *Federal Register* may be published up to 15 calendar days before the notification is filed.

A 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 the 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. The following is a sample notice:

## Notice of Notification for

*(Acquisition of a Bank or Bank Holding Company by a Bank Holding Company)*

*(Name and location of head office) intends to apply to the Federal Reserve Board for permission to (acquire a bank,) (acquire/merge with another bank holding company,) (name and location of head office). We intend to acquire control of (name of bank (and thrift, if any) and location of head office). The Federal Reserve considers a number of factors in deciding whether to approve the notification, including the record of performance of banks we own in helping to meet local credit needs.*

You are invited to submit comments in writing on this notification to the Federal Reserve Bank of \_\_\_\_\_, *(address of appropriate Reserve Bank)*. The comment period will not end before *(date must be no less than 30 days from the date of publication of the notification)* and may be somewhat longer. The Board's procedures for processing notifications may be found at 12 C.F.R. Part 262. Procedures for processing protested notifications may be found at 12 C.F.R. 262.25. To obtain a copy of the Federal Reserve Board's procedures, or if you need more information about how to submit your comments on the notification, contact *(name of Reserve Bank contact and telephone number)*. The Federal Reserve will consider your comments and any request for a public meeting or formal hearing on the

notification if they are received in writing by the Reserve Bank on or before the last day of the comment period.

## Supporting Information

Please note that the Federal Reserve specifically reserves the right to require the filing of additional statements and information. If any information initially furnished in the notification changes significantly during processing or prior to consummation, these changes are to be communicated promptly to the appropriate Reserve Bank.

## Confidentiality

Under the provisions of the Freedom of Information Act (the "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). A notificant may request confidential treatment for any information submitted in (or in connection with) its notification that a notificant believes is exempt from disclosure under the FOIA. For example, if a 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

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# General Instructions

which confidential treatment is requested. A 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. A notificant must demonstrate that disclosure would fall within the scope of one or more of the FOIA exemptions from disclosure.) A 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 a notificant to certify that it 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 rel-

evant 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 a notificant of any decision to make available to the public information labeled "CONFIDENTIAL." However, it shall be understood that, without prior notice to a 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 a 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 261.15, which governs requests for confidential treatment.

## Compliance

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