
Instructions for Preparation of FR Y-4 Notification to the Board of Governors of the Federal Reserve System

Who May Use This Form

This form should be used for notifications filed under section 4 of the BHC Act pursuant to sections 225.23 and 225.24 of 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 company. Notificants should consult Subpart C or Regulation Y—Nonbanking Activities and Acquisitions by Bank Holding Companies, a copy of which is available through any Federal Reserve Bank (“Reserve Bank”).

Exemptions for certain *de novo* activities: A well-run bank holding company (a company that meets the criteria in sections 225.23(c)(1), (2), and (6) 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 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 the information and certifications specified in section 225.22(a)(3) of Regulation Y.

Preparation of Notification

Inquiries regarding preparation and filing of notifications should be directed to the Reserve Bank of the Federal Reserve district in which the main office of Notificant’s sole or principal subsidiary either will be or is currently located (“appropriate Reserve Bank”). In addition, the Board requires that commitments be provided by the Notificant when engaging in certain nonbanking activities. Notificants are encouraged to consult the appropriate

Reserve Bank for assistance in identifying the specific type of information that should be provided in the notice, particularly information related to net public benefits and competitive considerations.

Filing 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 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.

NOTE: Proposals involving the acquisition of an insured depository institution that require approval under section 4 should use this form. However, 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 outlined 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 should meet all applicable criteria under section 225.14 of Regulation Y. The notificant may use the forms FR Y-3 and

Instructions for Preparation

FR Y-3N as guides for the type of information that should be included in the notification. Notice of the proposals also may be filed under section 225.24 of Regulation Y as described in Filing Category (2).

Proposals eligible for processing using the 12 business day prior notice procedure in section 225.23 of Regulation Y do not include proposals that the Board has indicated, pursuant to 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 section 225.24(a)(3) of Regulation Y.

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. On written request by the notificant, the Reserve Bank may publish notice of a proposal under section 225.24 of Regulation Y in the *Federal Register* up to 15 calendar days before filing the notice.

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 (i) the head offices of the notificant bank holding company or its largest subsidiary bank, if any, are located; and (ii) 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 notice is filed with the appropriate Reserve Bank.

Instructions for Preparation

Applicant should consult with the appropriate Reserve Bank 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 Regarding Delegation of Authority.

Supporting Information

Please note that the Federal Reserve System 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 (5 U.S.C. § 552) ("FOIA"), the notification is a public document and available to the public upon request. Notificant may request confidential treatment for information that would be exempt from public disclosure under the FOIA. For example, if the Notificant believes that disclosure of commercial or financial information would likely result in substantial harm to its competitive position or that of its affiliates, 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. This request for confidential treatment must be submitted in writing concurrently with the filing of the notice and must discuss in detail the justification for confidential treatment. Justification must be provided for each item or category of information for which confidential treatment is requested. Notificant's request for confidentiality should explain the harm that would result from public release of the information. 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." Notificant should follow the same procedure regarding a request for confidential treatment with regard to the subsequent filing of supplemental information to the notice.

The Federal Reserve System will determine whether the information submitted as confidential will be so regarded and will advise Notificant of any decision to make available to the public information labeled as "CONFIDENTIAL."

Compliance

Notificant is expected to comply with all representations and commitments made in this notice.