

**Bank Merger Act - Applications & Reporting
Interagency Regulations**

| EFRRPA Meeting Participant Commentary: None related to this particular regulation; however, comments were made regarding the following - system accessibility/availability and inability to login without available real-time solution during peak times - duplicative requirements/requests focused on specific item versus multi-use - feedback based on submission to better enhance information being provided for regulator review | | | |
|--|---|--|---|
| Recommendation: Based on the analysis below and pain points voiced during the 2nd EFRRPA meeting above, here are a few recommendations related to the Bank Merger Act Application & Reporting process to ease the burden and/or create efficiencies and accuracy in the process - allow for centralized electronic application filing which is customized to the "regulator" and "business combination" type and to be routed upon completion to all applicable parties (i.e., workflow) to allow for timely and concurrent review and to capture approvals electronically by all parties given other laws and regulations apply. The form could have required fields where information is required to be provided based on regulator and type with direct links to the instructions, tools, job aids, etc. - utilize analytics/artificial intelligence (AI) to do the cursory review of the information provided for discrepancies to allow timely return and request for additional information to be routed back therefore, leaving the manual effective challenge/analytic review efforts for final decisioning once its determined information has been provided as required - allow for a single system for filing and based on institution and business combination type, have it route to the appropriate parties following the initial review (see above bullets) - implement logical security controls based on company officers or delegated parties authorized to file (e.g., EDCAR system or registered officers) - develop operational reporting to identify trends/patterns on processing delays, declines and reasons, etc. to assist in providing bulletins or tip/tricks section for others to learn from prior history - consider involving/referencing the other laws and regulations based on regulator and business combination type in the application process to capture all information needed for decisioning and allow a seamless review and approval by all parties - consider linking the application to other regulator information (e.g., CRA, etc.) so information is captured automatically or validated against in real time for ease in the decisioning process Overall the above would increase the accuracy and completeness in which information is provided at the time of application, create efficiencies in processing, reduce the manual burden of receiving, tracking, reviewing, approving applications, legibility of the information, determining validity/authenticated parties, and provide insights into trends/patterns to assist applicants as well as regulators in the review process and tailor instructions, tools, job aids, etc. | | | |
| Questions | Non-Federal Banks & Federal Savings Associations <small>12 CFR 5.13</small> | State Member Banks <small>12 CFR Pt. 262.3</small> | State Non-Member Banks & State Savings Associations <small>12 CFR Pt. 303, Subpart D</small> |
| Who do they provide information to? | Office of the Comptroller of the Currency General Information. This includes the name and address of the applicant, the type of business combination, and the names and addresses of all parties involved Financial Statements. Applicants must submit financial statements, including balance sheets and income statements, for the past three years Business Plan. A detailed business plan outlining the objectives, strategies, and projected financial performance of the combined entity Management Information. Information about the management team, including biographies and qualifications of key personnel Legal and Regulatory Compliance. Evidence of compliance with all applicable laws and regulations, including any required approvals from other regulatory agencies Public Benefits. A statement describing the public benefits expected from the business combination, such as improved services or increased competition Risk Management. A description of the risk management practices and policies that will be implemented by the combined entity | Board of Governors of the Federal Reserve System General Information. The application must include the name and address of the applicant, the type of action requested, and the applicant's interest in the matter Facts Involved. A detailed statement of the facts involved in the application Reasons for Approval. The reasons why the application should be granted Public Notice. For certain applications, such as establishing a domestic branch or becoming a bank holding company, the applicant must publish a notice in a newspaper's classified advertising legal notices section. This notice must provide an opportunity for the public to comment on the application | Federal Deposit Insurance Corporation General Information. The name and address of the applicant, the type of merger transaction, and the names and addresses of all parties involved Financial Statements. Financial statements, including balance sheets and income statements, for the past three years Business Plan. A detailed business plan outlining the objectives, strategies, and projected financial performance of the resulting institution Management Information. Information about the management team, including biographies and qualifications of key personnel Legal and Regulatory Compliance. Evidence of compliance with all applicable laws and regulations, including any required approvals from other regulatory agencies Public Benefits. A statement describing the public benefits expected from the merger transaction, such as improved services or increased competition Risk Management. A description of the risk management practices and policies that will be implemented by the resulting institution |
| What is the information Required as part of Application | | | |
| What are the differences of information based on business combination type | The types include Mergers & Consolidations Acquisitions Assumptions of Liabilities For Information Required as noted in question #1 may differ or are the same based on business combination type - General Information: same across types - Financial Statements: differ based on which parties these are required of - Business Plan: differ based on details which are included - Management Information: differ based on which parties these are required of - Legal and Regulatory Compliance: differ based on institution and type - Public Benefits: same across types - Risk Management: differ based on type and risk due to combination | The types include Domestic Branch Establishment Holding Company Creation Holding Company Acquisition Savings & Loan Establishment Savings & Loan Acquisition For information required as noted in question #1 may differ or are the same based on business combination type - General Information: same across types - Facts Involved: tailored to type - Reasons for Approval: tailored to type and impact - Public Notice: same across types | The types include Merger Transaction Corporate Reorganization Interim Merger Transaction Optional Conversion For information required as noted in question #1 may differ or are the same based on business combination type - General Information: same across types - Financial Statements: differ based on which parties these are required of - Business Plan: differ based on details which are included - Management Information: differ based on which parties these are required of - Legal and Regulatory Compliance: differ based on institution and type - Public Benefits: same across types - Risk Management: differ based on type and risk due to combination |
| Does the Application have user tools available (e.g., instructions, aids, checklist, etc.) | Yes - Instructions and checklist | Yes - on the Fed Reserve website there is information | Yes - on the FDIC website |
| What is the method for submission | Paper Compact Disk (CD) Combination of Paper and CD | FedEZfile | FDICconnect |
| How is authentication of the appropriate parties identified and verified | Application provides for contact information; however, unsure how this is validated or legible if paper application | As application is electronic, Support Contact information is provided for system issues and/or setup/change user access | As application is electronic, an Email box for general inquiries was provided as well as pdf available around processing timeframes and delegation of authorities; however, unsure of how to trouble shoot system issues and/or change system user access |
| How are applications processed | Submission. The applicant submits a complete application to the OCC, including all required data points such as financial statements, business plans, and management information Initial Review. The OCC conducts an initial review to ensure the application is complete and meets all regulatory requirements Public Notice. The OCC publishes a public notice of the proposed business combination, allowing for a public comment period. This notice includes essential details about the transaction and instructions for public comment Detailed Review. The OCC performs a detailed review of the application, assessing factors such as financial stability, management qualifications, public benefits, and risk management practices Public Comments. The OCC considers any public comments received during the comment period. The OCC may also hold a public hearing or meeting if deemed necessary Decision. Based on the detailed review and public comments, the OCC makes a decision to approve or deny the application. The decision is based on the criteria outlined in 12 CFR 5.33, including compliance with applicable laws and regulation OCC aims to make a decision within 60 days of receiving a complete application, but this timeframe can be extended if additional information is needed or if there are significant public comments | Submission. The applicant submits a complete application using the prescribed forms, if available. If no form is prescribed, the application should be signed by the applicant or their authorized agent, state the facts involved, the action requested, and the applicant's interest in the matter, and indicate the reasons why the application should be granted Public Notice. For certain applications, such as establishing a domestic branch or becoming a bank holding company, the applicant must publish a notice in the classified advertising legal notices section of a newspaper. This notice provides an opportunity for the public to comment on the application Public Comment Period. The public is given a specified period to submit written comments on the application to the appropriate Federal Reserve Bank. The comment period is at least thirty days after the date of publication for certain applications Review. The Federal Reserve Bank reviews the application and any public comments received. The review process includes assessing the facts involved, the action requested, and the reasons for approval Decision. Based on the review, the Board of Governors of the Federal Reserve System makes a decision to approve or deny the application. The decision is based on the criteria outlined in 12 CFR Part 262.3, including compliance with applicable laws and regulations The Federal Reserve aims to make a decision within 45 days of receiving a complete application, but this timeframe can be extended if additional information is needed or if there are significant public comments | Submission. The applicant submits a complete application to the FDIC, including all required information such as financial statements, business plans, and management information Initial Review. The FDIC conducts an initial review to ensure the application is complete and meets all regulatory requirements Public Notice. For certain applications, the applicant must publish a notice in a newspaper's classified advertising legal notices section, providing an opportunity for the public to comment on the application Public Comment Period. The public is given a specified period to submit written comments on the application to the appropriate FDIC office. The comment period is at least thirty days after the date of publication for certain applications Detailed Review. The FDIC performs a detailed review of the application, assessing factors such as financial stability, management qualifications, public benefits, and risk management practices Decision. Based on the detailed review and public comments, the FDIC makes a decision to approve or deny the application. The decision is based on the criteria outlined in 12 CFR Part 303, Subpart D, including compliance with applicable laws and regulations For eligible depository institutions, the FDIC may provide expedited processing, which involves a faster review timeline. The FDIC will take action on an application within 45 days after receiving a substantially complete application, or within 10 days after the last notice publication, or within 5 days after receiving the Attorney General's report on competitive factors |
| What sort of reporting exists around applications | SEC Reporting: detailed filings and disclosures Accounting Standards: accounting for business combinations Public Disclosures: press releases, investor presentations, filings, etc. Regulatory Filings: with regulator | Public Notice Public Comment Period Federal Reserve Review Decision Reporting | SEC Reporting: detailed filings and disclosures Accounting Standards: accounting for business combinations Public Disclosures: press releases, investor presentations, filings, etc. Supervisory Guidance: reporting and accounting |
| What are the various Laws & Regulations to consider | Laws and regulations ensure that business combinations are thoroughly evaluated to protect the interests of the involved institutions, their customers, and the public include but is not limited to Bank Holding Company Act (12 U.S.C. 1841-1850). This act regulates the acquisition of banks by bank holding companies and includes provisions for becoming a bank holding company Savings and Loan Holding Company Act (12 U.S.C. 1467a). This act governs the acquisition of savings associations by savings and loan holding companies and includes provisions for becoming a savings and loan holding company Federal Deposit Insurance Act (12 U.S.C. 1811-1835a). This act includes provisions related to the establishment and operation of insured depository institutions, including requirements for mergers and acquisitions Bank Merger Act (12 U.S.C. 1828(c)). This act requires prior approval from the appropriate federal banking agency for any merger or consolidation involving insured depository institutions Clayton Act (15 U.S.C. 18). This antitrust law addresses mergers and acquisitions that may substantially lessen competition or create a monopoly Hart-Scott-Rodino Antitrust Improvements Act (15 U.S.C. 18a). This act requires advance notice of certain mergers and acquisitions to the Federal Trade Commission and the Department of Justice for antitrust review Community Reinvestment Act (12 U.S.C. 2901-2908). This act encourages financial institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods | Laws and regulations ensure that business combinations are thoroughly evaluated to protect the interests of the involved institutions, their customers, and the public include but is not limited to Regulation H (12 CFR Part 208). This regulation governs the operations of state member banks, including requirements for establishing branches and other facilities Bank Holding Company Act (12 U.S.C. 1841-1850). This act regulates the acquisition of banks by bank holding companies and includes provisions for becoming a bank holding company Savings and Loan Holding Company Act (12 U.S.C. 1467a). This act governs the acquisition of savings associations by savings and loan holding companies and includes provisions for becoming a savings and loan holding company Federal Deposit Insurance Act (12 U.S.C. 1811-1835a). This act includes provisions related to the establishment and operation of insured depository institutions, including requirements for mergers and acquisitions Clayton Act (15 U.S.C. 18). This antitrust law addresses mergers and acquisitions that may substantially lessen competition or create a monopoly Hart-Scott-Rodino Antitrust Improvements Act (15 U.S.C. 18a). This act requires advance notice of certain mergers and acquisitions to the Federal Trade Commission and the Department of Justice for antitrust review | Laws and regulations ensure that business combinations are thoroughly evaluated to protect the interests of the involved institutions, their customers, and the public include but is not limited to Federal Deposit Insurance Act (FDIC Act). This act governs the FDIC and includes provisions related to the establishment and operation of insured depository institutions, including requirements for mergers and acquisitions Bank Merger Act (12 U.S.C. 1828(c)). This act requires prior approval from the appropriate federal banking agency for any merger or consolidation involving insured depository institutions Bank Holding Company Act (12 U.S.C. 1841-1850). This act regulates the acquisition of banks by bank holding companies and includes provisions for becoming a bank holding company Savings and Loan Holding Company Act (12 U.S.C. 1467a). This act governs the acquisition of savings associations by savings and loan holding companies and includes provisions for becoming a savings and loan holding company Clayton Act (15 U.S.C. 18). This antitrust law addresses mergers and acquisitions that may substantially lessen competition or create a monopoly Hart-Scott-Rodino Antitrust Improvements Act (15 U.S.C. 18a). This act requires advance notice of certain mergers and acquisitions to the Federal Trade Commission and the Department of Justice for antitrust review Community Reinvestment Act (12 U.S.C. 2901-2908). This act encourages financial institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods Interstate Banking and Branching Efficiency Act (12 U.S.C. 1831u). This act allows banks to establish branches across state lines and governs interstate mergers and acquisitions |
| How is approval obtained from other regulators and what is the timing in relation to this process | Unsure | Unsure | Unsure |

From: [Cindy Hart](#)
To: [Legal-Supervision](#)
Cc: [Perry, Brandi N.](#)
Subject: Re: [EXTERNAL MESSAGE] Remarks: Economic Growth Regulatory Paperwork Reduction Act (EGRPRA)
Date: Monday, March 10, 2025 2:11:40 PM
Attachments: [image001.png](#)
[EGRPRA Analysis.xlsx](#)

Hello Brandi and Legal Supervision,

I was able to get through a mock-up analysis related to the Bank Merger Act - Interagency Regulations - Application & Reporting based on my initial feedback below. Please see mockup attached. I am happy to continue building this mock up out as well as perform for other regulations; however, the 'Questions' is where I see most value and having an interagency committee brainstorm and provide feedback for comprehensiveness would be beneficial. This would allow the analysis to be completed with input by each agency to develop an overarching process.

Happy to chat through in more detail or revise as needed.

Thank you,

Cindy Hart
EROS LLC

[REDACTED]
[REDACTED]

From: Cindy Hart <[REDACTED]>
Sent: Thursday, March 6, 2025 11:49 AM
To: Legal-Supervision <[REDACTED]>
Cc: Brandi N. Perry <[REDACTED]>
Subject: Re: [EXTERNAL MESSAGE] Remarks: Economic Growth Regulatory Paperwork Reduction Act (EGRPRA)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

On Mar 6, 2025, at 11:33 AM, Legal-Supervision <[REDACTED]>
wrote:

NONPUBLIC//FDIC BUSINESS

Thank you for your comments. I would like to enter these in the public comment record, if you're amendable. May I do that? It will help us when we are conducting our review of each rule.

From: Cindy Hart <[REDACTED]>

Sent: Wednesday, March 5, 2025 5:32 PM

To: Legal-Supervision <[REDACTED]>; Perry, Brandi N.

[REDACTED]

Subject: [EXTERNAL MESSAGE] Remarks: Economic Growth Regulatory Paperwork Reduction Act (EGRPRA)

[REDACTED]

Hello,

While I recently declined to comment, I did want to pass along some initial thoughts I had around this upcoming discussion which I do plan to attend.

Upon personally evaluating the various “Economic Growth and Regulatory Paperwork Reduction Act” regulations which are under advisement, a couple of things I notice:

1. The complexity of regulatory requirements based on distinction between National Banks, State Member Banks, State non-Member Banks, Federal Savings Associations, State Savings Associations, etc.
2. The interagency versus specific agency requirements based on each category as noted in #1
3. The subject matter under advisement.

When thinking through the above, the numerous considerations could be extraneous in compliance costs as well as how the business applies based on knowledge and expertise given their respective backgrounds.

Therefore, when thinking through the various requirements, I tend to focus my attention to the following:

1. What are the **commonalities** between the regulatory requirements based on institution type and agency as well as what are the **differences**
2. How has the regulators utilize technology to streamline the application and reporting process (e.g., applications received, vetted, decisioning, etc.), while factoring:
 - a. How individuals/companies can skirt around the criteria
 - b. Levels of required approvals based on application criteria/responses
3. Has a matrix been created to identify the following by regulation/agency/financial institution distinction:
 - a. Qualifying Questions/terms
 - b. Similarities in criteria
 - c. Variability between the criteria
 - d. Risks
 - e. Effective Challenge
 - f. Controls
 - g. Critical Decision Points.

I am in the process of performing #3 above to aide in my assessment and provide feedback, which is why I initially declined to comment in the meeting scheduled for 3/6/2025; however, if you want to streamline and reduce the regulatory burden, I do believe this analysis needs to be done to identify the opportunities.

Happy to discuss more as I complete my personal analysis.

Thank you,

Cindy Hart
EROS LLC

[REDACTED]
[REDACTED]

From: Cindy Hart

Sent: Thursday, February 20, 2025 10:59 AM

To: Legal-supervision@fdic.gov <[REDACTED]>

Subject: Re: Reserve your position - Economic Growth Regulatory Paperwork Reduction Act (EGRPRA)

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

On Feb 19, 2025, at 4:21 PM, Cindy Hart

<[REDACTED]> wrote:

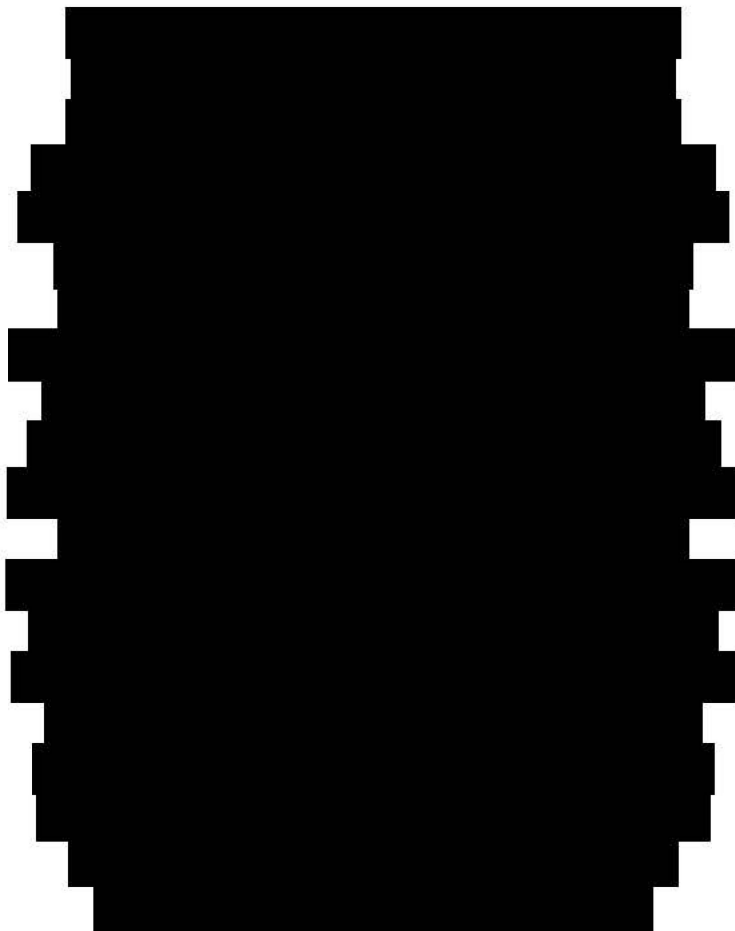
[REDACTED]

[REDACTED]

[LinkedIn](#)

On Feb 19, 2025, at 3:26 PM, Perry, Brandi N.

<[REDACTED]> wrote:



[REDACTED]

[REDACTED]