



## **FEDERAL RESERVE SYSTEM**

### **Proposed Agency Information Collection Activities; Comment Request**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Notice, request for comment.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Bank Holding Company Application and Notification Forms (OMB No. 7100-0121): the Application for Prior Approval to Become a Bank Holding Company or for a Bank Holding Company to Acquire an Additional Bank or Bank Holding Company (FR Y-3), the Notification for Prior Approval to Become a Bank Holding Company or for a Bank Holding Company to Acquire an Additional Bank or Bank Holding Company (FR Y-3N), and the Notification for Prior Approval to Engage Directly or Indirectly in Certain Nonbanking Activities (FR Y-4).

**DATES:** Comments must be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** You may submit comments, identified by *FR Y-3*, *FR Y-3N*, or *FR Y-4*, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room 3515, 1801 K Street (between 18<sup>th</sup> and 19<sup>th</sup> Streets NW) Washington, DC 20006 between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

**FOR FURTHER INFORMATION CONTACT:** A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, if approved. These documents will also be made available on the Federal Reserve Board's public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC, 20551.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements

conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

**Request for comment on information collection proposal**

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Federal Reserve should modify the proposal.

**Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following report:**

*Report title:* Application for Prior Approval to Become a Bank Holding Company, or for a Bank Holding Company to Acquire an Additional Bank or Bank Holding Company; Notice for Prior Approval to Become a Bank Holding Company, or for a Bank Holding Company to Acquire an Additional Bank or Bank Holding Company; and Notification for Prior Approval to Engage Directly or Indirectly in Certain Nonbanking Activities.

*Agency form numbers:* FR Y-3, FR Y-3N, and FR Y-4.

*OMB control number:* 7100-0121.

*Frequency:* Event-generated.

*Reporters:* Corporations seeking to become bank holding companies (BHCs) and existing BHCs.

*Estimated average hours per response:* FR Y-3, Section 3(a)(1): 50 hours; FR Y-3, Section 3(a)(3) and 3(a)(5): 60.5 hours; FR Y-3N, Sections 3(a)(1), 3(a)(3), and 3(a)(5): 5 hours; FR Y-4, complete notification: 12 hours; FR Y-4, expedited notification: 5 hours; and FR Y-4, post-consummation: 0.5 hours.

*Estimated number of respondents:* FR Y-3, Section 3(a)(1): 81; FR Y-3, Section 3(a)(3) and 3(a)(5): 136; FR Y-3N, Sections 3(a)(1), 3(a)(3), and 3(a)(5): 26; FR Y-4, complete notification: 30; FR Y-4, expedited notification: 11; and FR Y-4, post-consummation: 1.

*Estimated annual burden hours:* 12,824 hours.

*General description of report:* The Federal Reserve requires the submission of these filings for regulatory and supervisory purposes and to allow the Federal Reserve to fulfill its statutory obligations under the Bank Holding Company Act of 1956 (the BHC Act). These filings collect information on proposals by BHCs involving formations, acquisitions, mergers, and nonbanking activities. The Federal Reserve uses this information to evaluate each individual transaction with

respect to financial and managerial factors, permissibility, competitive effects, net public benefits, financial stability, and the impact on the convenience and needs of affected communities.

The applicant or notificant also is required to publish a notice in a newspaper of general circulation in the community where the head office of the bank to be acquired is located. The notice must state the name and address of the applicant and its proposed subsidiary, and it must invite the public to submit written comments to the appropriate Federal Reserve Bank.

*Proposed revisions:* The Board proposes to revise the FR Y-3, FR Y-3N, and FR Y-4 forms and instructions in order to improve the clarity of the requests; reflect the impact of new laws, regulations, capital requirements and accounting rules; delete items that are not typically useful for the analysis of the proposal; and add transparency for filers regarding the information that is required to consider a proposal. The revisions are intended to make initial filings better reflect and include the information that Board staff requires to evaluate a transaction and thereby reduce the need for subsequent information requests, which may delay the Board's consideration of a filing and create additional burden for filers.

*Legal authorization and confidentiality:* The FR Y-3 application and FR Y-3N notification are mandatory and submitted pursuant to section 3(a) of the BHC Act, which requires Board approval for formations, acquisitions, and mergers of bank holding companies (12 U.S.C. 1842(a)), and section 5(b) of the BHC Act, which authorizes the Board to issue regulations and orders to carry out these functions (12 U.S.C. 1844(b)). The FR Y-4 notification is mandatory and submitted pursuant to section 4(j) of the BHC Act, which requires BHCs to give advance written notice to the Board of any nonbanking activities (12 U.S.C. 1843(j)), and section 5(b) of the BHC Act (12 U.S.C. 1844(b)), described above.

The information submitted in the FR Y-3, Y-3N, and Y-4 is considered to be public unless an institution requests confidential treatment for portions of the particular application or notification. Applicants may rely on any Freedom of Information Act exemption, and such requests for confidentiality must contain detailed justifications corresponding to the claimed exemption. Requests for confidentiality will be evaluated on a case-by-case basis.

*Effective date:* July 31, 2018.

Board of Governors of the Federal Reserve System, March 20, 2018.

**Ann E. Misback**

*Secretary of the Board.*

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