FRB Order No. 2018-02
January 16, 2018

FEDERAL RESERVE SYSTEM

Huron Community Bank
East Tawas, Michigan

Order Approving the Acquisition of Assets and Assumption of Liabilities

Huron Community Bank ("Huron Bank"), the state member bank subsidiary of Huron Community Financial Services, Inc. ("Huron Financial"), both of East Tawas, Michigan, has requested the Board's approval under section 18(c) of the Federal Deposit Insurance Act ("Bank Merger Act")[1] to acquire certain assets and assume certain liabilities of a branch of First Federal of Northern Michigan ("First Federal"), a federal savings association subsidiary of First Federal of Northern Michigan Bancorp, Inc. ("First Federal Bancorp"), both of Alpena, Michigan.

Under the proposal, Huron Bank would assume approximately $11.5 million of First Federal's $286.5 million in deposits, as well as acquire approximately $1.5 million of First Federal's loans and related assets. The deposits and assets are currently held at First Federal's branch in Oscoda, Michigan ("Oscoda Branch"), and, upon consummation of the proposal, would be integrated into Huron Bank.[2]

Notice of the proposal, affording interested persons an opportunity to submit comments, has been given in accordance with the Bank Merger Act and the Board's Rules of Procedure.[3] The time for submitting comments has expired, and no

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[1] 12 U.S.C. § 1828(c).

[2] The Oscoda Branch is located at 201 North State Street, Oscoda, Michigan 48750. Huron Bank would not acquire the Oscoda Branch as a result of the transaction. Instead, Huron Bank would assume all of the deposit liabilities held at the branch as of the closing date of the transaction, in addition to a small amount of the branch's loans.

[3] 12 U.S.C. § 1828(c)(3); 12 CFR 262.3(b).

comments were received. The Board has considered the proposal in light of the factors set forth in the Bank Merger Act. As required by the Bank Merger Act, a report on the competitive effects of the proposal was requested from the United States Attorney General, and a copy of the request has been provided to the Federal Deposit Insurance Corporation.

Huron Financial is the 2,898th largest insured depository organization in the United States by deposits, controlling deposits of approximately $160.8 million, which represent less than 1 percent of the total amount of deposits of insured depository institutions[4] in the United States.[5] Huron Financial controls Huron Bank, which has offices only in Michigan. Huron Bank is the 81st largest insured depository institution in Michigan, controlling approximately $160.8 million in deposits, which represent less than 1 percent of the total amount of deposits of insured depository institutions in that state. Huron Bank has total assets of approximately $215 million.[6]

First Federal Bancorp is the 1,890th largest insured depository organization in the United States by deposits, controlling deposits of approximately $286.5 million, which represent less than 1 percent of the total amount of deposits of insured depository institutions in the United States. First Federal Bancorp controls First Federal, which has offices only in Michigan. The Oscoda Branch of First Federal has $11.5 million in deposits, which represents a small percentage of First Federal's total state deposits of $286.5 million. First Federal has total assets of $335.1 million.

On consummation of the proposal, Huron Financial would control approximately $172.3 million in deposits. Huron Bank would become the 77th largest

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[4] In this context, insured depository institutions include commercial banks, savings banks, and savings associations.

[5] National deposit, ranking, and market share data are as of June 30, 2017. State deposit ranking data are as of June 30, 2017. Market deposit data are as of June 30, 2017.

[6] Total asset data are as of September 30, 2017.

insured depository institution in Michigan, controlling approximately 0.1 percent of the total deposits of insured depository institutions in that state.

Competitive Considerations

The Bank Merger Act prohibits the Board from approving a proposal that would result in a monopoly or would be in furtherance of an attempt to monopolize the business of banking in any relevant market.[7] The Bank Merger Act also prohibits the Board from approving a proposal that would substantially lessen competition or tend to create a monopoly in any banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the communities to be served.[8]

Huron Bank and First Federal compete directly in the Oscoda, Michigan, banking market ("Oscoda market").[9] The Board has considered the competitive effects of the proposal in this banking market. In particular, the Board has considered the number of competitors that would remain in the market; the relative shares of total deposits of insured depository institutions in the market ("market deposits") that Huron Bank would control;[10] the concentration level of market deposits and the increase in that level, as measured by the Herfindahl-Hirschman Index ("HHI") under the Department of

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[7] 12 U.S.C. § 1828(c)(5)(A).

[8] 12 U.S.C. § 1828(c)(5)(B).

[9] The Oscoda market is defined as follows: Iosco County; Mason, Turner, and Whitney townships of Arenac County; and Alcona County, except Caledonia, Alcona, Haynes, and Mitchell townships — all in Michigan.

[10] Local deposit and market share data are as of June 30, 2017, and are based on calculations in which the deposits of thrift institutions are included at 50 percent. The Board previously has indicated that thrift institutions have become, or have the potential to become, significant competitors to commercial banks. See, e.g., Midwest Financial Group, 75 Federal Reserve Bulletin 386 (1989) and National City Corporation, 70 Federal Reserve Bulletin 743 (1984). Thus, the Board regularly has included thrift deposits in the market share calculation on a 50 percent weighted basis. See, e.g., First Hawaiian, Inc., 77 Federal Reserve Bulletin 52 (1991).

Justice Bank Merger Competitive Review guidelines ("DOJ Bank Merger Guidelines");[11] and other characteristics of the Oscoda market.

The competitive effects of the proposal in the Oscoda market warrant a detailed review because Huron Bank's pro forma share of market deposits exceeds 35 percent, using initial competitive screening data. Huron Bank is the largest competitor in the Oscoda market, controlling approximately $151.5 million in deposits, which represent approximately 44.5 percent of market deposits. First Federal is the fifth largest depository institution in the Oscoda market, controlling approximately $5.8 million in weighted deposits, which represent approximately 1.7 percent of market deposits. On consummation of the proposal, Huron Bank would remain the largest depository institution in the Oscoda market, controlling approximately $163.0 million in market deposits, which would represent approximately 47.1 percent of market deposits. The HHI in the market would increase by 192 points, from 3248 to 3440.

The Board has considered whether other factors either mitigate the competitive effects of the proposal or indicate that the proposal would not have a significantly adverse effect on competition in the Oscoda market.[12] Several factors indicate that the increase in concentration in the Oscoda market, as measured by the

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[11] Under the DOJ Bank Merger Guidelines, a market is considered unconcentrated if the post-merger HHI is under 1000, moderately concentrated if the post-merger HHI is between 1000 and 1800, and highly concentrated if the post-merger HHI exceeds 1800. The Department of Justice ("DOJ") has informed the Board that a bank merger or acquisition generally would not be challenged (in the absence of other factors indicating anticompetitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. Although the DOJ and the Federal Trade Commission issued revised Horizontal Merger Guidelines in 2010, the DOJ has confirmed that its Bank Merger Guidelines, which were issued in 1995, were not modified. See Press Release, Department of Justice (August 19, 2010), available at www.justice.gov/opa/pr/2010/August/10-at-938.html.

[12] The number and strength of factors necessary to mitigate the competitive effects of a proposal depend on the size of the increase in, and resulting level of, concentration in a banking market. See NationsBank Corporation, 84 Federal Reserve Bulletin 129 (1998).

above HHI and market share, overstates the potential competitive effects of the proposal in the market.

The Board has considered the competitive influence of one credit union in the Oscoda market that offers a wide range of consumer banking products, operates street-level branches, and has broad membership criteria that include almost all of the residents in the relevant banking market.[13] The Board finds that these circumstances warrant including the deposits of this credit union at a 50 percent weight in its calculations to estimate market influence. This weighting takes into account the limited lending done by this credit union to small businesses relative to commercial banks' lending levels.

After consummation, adjusting to reflect competition from this credit union, the market concentration level in the Oscoda market as measured by the HHI would increase by 157 points, from a level of 2673 to 2830, and the market share of Huron Bank resulting from the transaction would increase from 39.3 percent to 41.7 percent.

The Board has also examined other aspects of the structure of the Oscoda market that mitigate the competitive effects of the proposal or indicate that the proposal would not have a significantly adverse effect on competition in the Oscoda market. The

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[13] The Board previously has considered competition from certain active credit unions with these features as a mitigating factor. See, e.g., Central Bancompany, Inc., FRB Order No. 2017-03 (February 8, 2017); KeyCorp, FRB Order No. 2016-12 (July 12, 2016); Ohio Valley Banc Corp., FRB Order No. 2016-10 (June 28, 2016); Chemical Financial Corporation, FRB Order No. 2015-13 (April 20, 2015); Mitsubishi UFJ Financial Group, Inc., FRB Order No. 2012-12 (November 14, 2012); Old National Bancorp, FRB Order No. 2012-9 (August 30, 2012); United Bankshares, Inc. (order dated June 20, 2011), 97 Federal Reserve Bulletin 19 (2nd Quar. 2011); The PNC Financial Services Group, Inc., 94 Federal Reserve Bulletin C38 (2008); The PNC Financial Services Group, Inc., 93 Federal Reserve Bulletin C65 (2007); Regions Financial Corporation, 93 Federal Reserve Bulletin C16 (2007); Passumpsic Bancorp, 92 Federal Reserve Bulletin C175 (2006); and Wachovia Corporation, 92 Federal Reserve Bulletin C183 (2006).

Oscoda market is a relatively small, rural banking market, and the change in Huron Bank's market share would be relatively small. Although consummation of this proposal would eliminate one existing competitor, the market would continue to be served by five depository institutions, including the credit union noted above. These include, apart from Huron Bank, one depository institution with a more than 25 percent share of market deposits and two depository institutions each with a more than 10 percent share of market deposits. In addition, the Board has considered the competitive influence of a second credit union that serves a significant portion of the Oscoda market.[14] The presence of these market competitors suggests that Huron Bank would have limited ability to unilaterally offer less attractive terms to consumers and that these competitors are able to exert competitive pressure on Huron Bank in the Oscoda market.

The DOJ also has conducted a review of the potential competitive effects of the proposal and has advised the Board that consummation of the proposal would not likely have a significantly adverse effect on competition in any relevant banking market, including the Oscoda market. In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on all of the facts of record, in particular the structure of the relevant market, the number of remaining competitors, and other factors discussed above, the Board concludes that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in the Oscoda market or in any other relevant banking market. Accordingly, the Board determines that competitive considerations are consistent with approval.

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[14] The Board finds that the presence of this credit union increases competition in the Oscoda market. However, because the membership criteria only includes a simple majority rather than essentially the entire market population, the deposits of this credit union are not included in calculating market influence.

Financial, Managerial, and Other Supervisory Considerations

In reviewing a proposal under the Bank Merger Act, the Board considers the financial and managerial resources and the future prospects of the institutions involved.[15] In its evaluation of financial factors, the Board reviews information regarding the financial condition of the organizations involved on both parent-only and consolidated bases, as well as information regarding the financial condition of the subsidiary depository institutions and the organizations' significant nonbanking operations. In this evaluation, the Board considers a variety of information regarding capital adequacy, asset quality, liquidity, and earnings performance. The Board evaluates the financial condition of the combined organization, including its capital position, asset quality, liquidity, earnings prospects, and the impact of the proposed funding of the transaction. The Board also considers the ability of the organization to absorb the costs of the proposal and to complete effectively the proposed integration of the operations of the institutions. In assessing financial factors, the Board considers capital adequacy to be especially important. The Board considers the future prospects of the organizations involved in the proposal in light of their financial and managerial resources and the proposed business plan.

Huron Bank is well capitalized and would remain so on consummation of the proposal. As noted, the proposed transaction involves an assumption of deposits and an acquisition of loans and related assets. Huron Bank appears to have adequate financial resources to effect the proposal. The asset quality, earnings, and liquidity of Huron Bank are consistent with approval, and Huron Bank appears to have adequate resources to absorb the costs of the proposal and to complete the integration of the deposits to be assumed and assets to be acquired. In addition, the future prospects of Huron Bank are considered consistent with approval.

The Board also has considered the managerial resources of the institutions involved and of Huron Bank after consummation of the proposal. The Board has

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[15] 12 U.S.C. § 1828(c)(5).

reviewed the examination record of Huron Bank, including assessments of its management, risk-management systems, and operations. In addition, the Board has considered information provided by Huron Bank; the Board's supervisory experiences with the institution; and Huron Bank's record of compliance with applicable banking, consumer protection, and anti-money-laundering laws.

Huron Bank is considered to be well managed. Huron Bank's board of directors and senior management have substantial knowledge of and experience in the banking sector, and the bank's risk-management program appears consistent with approval of this expansionary proposal. Huron Bank has conducted comprehensive due diligence and is devoting sufficient financial and other resources to address the post-integration process for this proposal. Huron Bank would continue to apply its risk-management policies, procedures, and controls following the acquisition, and these are considered acceptable from a supervisory perspective. In addition, Huron Bank's management has the experience and resources to ensure that the bank operates in a safe and sound manner after consummation of the proposal.

Based on all of the facts of record, including Huron Bank's supervisory record, managerial and operational resources, and plans for operating the bank after consummation, the Board concludes that considerations relating to the financial and managerial resources and the future prospects of the organizations involved in the proposal, as well as the records of effectiveness of Huron Bank and First Federal in combatting money-laundering activities, are consistent with approval.

Convenience and Needs Considerations

In acting on a proposal under the Bank Merger Act, the Board considers the effects of the proposal on the convenience and needs of the communities to be served.[16] In its evaluation of the effects of the proposal on the convenience and needs of the communities to be served, the Board considers whether the relevant institutions are helping to meet the credit needs of these communities, as well as other potential effects of

[16] 12 U.S.C. § 1828(c)(5).

the proposal on the convenience and needs of the communities to be served. In this evaluation, the Board places particular emphasis on the records of the relevant depository institutions under the Community Reinvestment Act ("CRA").[17] The CRA requires the federal financial supervisory agencies to encourage insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with their safe and sound operation,[18] and requires the appropriate federal financial supervisory agency to assess a depository institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income ("LMI") neighborhoods, in evaluating bank expansionary proposals.[19]

In addition, the Board considers the banks' overall compliance records and recent fair lending examinations. Fair lending laws require all lending institutions to provide applicants with equal access to credit, regardless of their race, ethnicity, or certain other characteristics. The Board also considers the assessments of other relevant supervisors, the supervisory views of examiners, other supervisory information, and information provided by the applicant. The Board also may consider the institution's business model, its marketing and outreach plans, the organization's plans after consummation, and any other information the Board deems relevant.

In assessing the convenience and needs factor in this case, the Board has considered all of the facts of record, including reports of examination of the CRA performance of Huron Bank and First Federal; the compliance record of Huron Bank; the supervisory views of the Federal Reserve Bank of Chicago ("Reserve Bank") and the Office of the Comptroller of the Currency ("OCC"); confidential supervisory information; and information provided by Huron Bank.

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[17] 12 U.S.C. § 2901 et seq.

[18] 12 U.S.C. § 2901(b).

[19] 12 U.S.C. § 2903.

Records of Performance under the CRA

In evaluating the convenience and needs factor and CRA performance, the Board evaluates an institution's performance record in light of examinations by the appropriate federal supervisors of the CRA performance records of the relevant institutions, as well as information and views provided by the appropriate federal supervisors.[20] In this case, the Board considered the supervisory views of the Reserve Bank and the OCC.

The CRA requires that the appropriate federal financial supervisor for a depository institution prepare a written evaluation of the institution's record of helping to meet the credit needs of its entire community, including LMI neighborhoods.[21] An institution's most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation by the institution's primary federal supervisor of the institution's overall record of lending in its communities.

In general, federal financial supervisors apply a lending test to evaluate the performance of a small insured depository institution in helping to meet the credit needs of the communities it serves. The lending test specifically evaluates the institution's lending-related activities to determine whether the institution is helping to meet the credit needs of individuals and geographies of all income levels. As part of the lending test, examiners review and analyze an institution's data reported under the Home Mortgage Disclosure Act of 1975,[22] automated loan reports, and other reports generated by the institution to assess an institution's lending activities with respect to borrowers and geographies of different income levels. The institution's lending performance is based on the institution's loan-to-deposit ratio, loan originations for sale to the secondary market,

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[20] See Interagency Questions and Answers Regarding Community Reinvestment, 81 Federal Register 48506, 48548 (July 25, 2016).

[21] 12 U.S.C. § 2906.

[22] 12 U.S.C. § 2801 et seq.

lending-related activities in its assessment areas ("AAs"), record of engaging in lending-related activities for borrowers of different income levels and businesses and farms of different sizes, geographic distribution of loans, and record of taking action in response to written complaints about the institution's performance.[23]

CRA Performance of Huron Bank

Huron Bank was assigned an overall "Satisfactory" rating by the Reserve Bank at its most recent CRA performance evaluation, as of September 21, 2015 ("Huron Bank Evaluation").[24] Examiners found that Huron Bank's average loan-to-deposit ratio, which is a measure of the overall level of lending, was reasonable given its financial condition and AA credit needs. Examiners also found that a majority of the bank's home mortgage and small business loans were originated within its AA and that the geographic distribution of those loans reflected reasonable dispersion throughout the bank's AA. Examiners determined that the distribution of the bank's home mortgage loans reflected reasonable penetration among individuals of different income levels. Examiners noted that the distribution of the bank's home mortgage loans to low-income borrowers was reasonable. Examiners also noted that the percentage of the bank's home mortgage loans to moderate-income borrowers, as measured by loan volume and dollar amount, was comparable to the percentage of moderate-income families in its AA. In addition, examiners determined that the distribution of Huron Bank's small business lending reflected reasonable penetration among businesses of different sizes.

CRA Performance of First Federal

First Federal was assigned an overall CRA rating of "Outstanding" at its most recent CRA performance evaluation by the OCC, as of September 29, 2014 ("First

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[23] See 12 CFR 228.26(b).

[24] The Huron Bank Evaluation was conducted using Small Institution CRA Examination Procedures. Examiners reviewed home mortgage loans and small business loans from January 1, 2014, through December 31, 2014. The Huron Bank Evaluation included a full-scope evaluation in the Michigan Non-Metropolitan Statistical Area (consisting of Alcona, Arenac, and Iosco counties), its sole AA.

Federal Evaluation").[25] Examiners determined that First Federal's average loan-to-deposit ratio was more than reasonable given the bank's size and financial condition and the credit needs of its community.

Examiners found that First Federal's lending levels within its AA were excellent and that a substantial majority of the bank's loans were made within the bank's AA. According to examiners, the geographic distribution of residential mortgage and business loans throughout the bank's AA was excellent. Examiners also noted that First Federal's distribution of loans to borrowers reflected reasonable penetration among retail customers of different income levels and businesses of different sizes.

Examiners determined that First Federal engaged in a variety of qualified community development investments and grants, including contributions to affordable housing, economic development, revitalization and stabilization of business districts, and community services to LMI individuals and households. Examiners further noted that the bank exhibited excellent responsiveness to community development service needs.

Additional Supervisory Views

The Board has considered the results of the most recent consumer compliance examination of Huron Bank conducted by Reserve Bank examiners, which included a review of the bank's consumer compliance risk-management program and the bank's compliance with consumer protection laws and regulations. The Board has also considered the results of the most recent examination of First Federal conducted by the OCC, which included a review of the bank's compliance function and the bank's compliance with certain consumer protection laws and regulations.

The Board has taken this information, as well as the CRA performance records of Huron Bank and First Federal, into account in evaluating the proposed

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[25] The First Federal Evaluation was conducted using Small Institution CRA Examination Procedures. Examiners reviewed residential mortgage loans and business loans from 2012 and 2013. The First Federal Evaluation included an evaluation of its sole AA, consisting of Alcona, Alpena, Charlevoix, Cheboygan, Crawford, Emmet, Iosco, Montmorency, Ogemaw, Oscoda, Otsego, and Presque Isle counties in Michigan.

transaction, including in considering whether Huron Financial has the experience and resources to ensure that Huron Bank helps to meet the credit needs of the communities within its AA.

Additional Convenience and Needs Considerations

The Board also considers other potential effects of the proposal on the convenience and needs of the communities to be served. Huron Bank represents that it does not have any plans to discontinue or significantly change any of its products or services as a result of the proposal. In addition, Huron Bank represents that customers of First Federal that become customers of Huron Bank as a result of the proposed transaction would have access to the same products and services that are currently available to customers of Huron Bank. Furthermore, Huron Bank represents that these First Federal customers would benefit from access to Huron Bank's branch network, which includes three branches within approximately 20 miles of the Oscoda Branch of First Federal.

Conclusion on Convenience and Needs Considerations

The Board has considered all the facts of record, including the records of the relevant depository institutions under the CRA, the institutions' records of compliance with fair lending and other consumer protection laws, supervisory views of the Reserve Bank and the OCC, confidential supervisory information, information provided by Huron Bank, and other potential effects of the proposal on the convenience and needs of the communities to be served. Based on that review, the Board concludes that the convenience and needs factor is consistent with approval.

Financial Stability

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") amended the Bank Merger Act to require the Board to consider a proposal's "risk to the stability of the United States banking or financial system."[26]

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[26] Dodd-Frank Act § 604(f), Pub. L. No. 111-203, 124 Stat. 1376, 1602 (2010), codified at 12 U.S.C. § 1828(c)(5).

To assess the likely effect of a proposed transaction on the stability of the United States banking or financial system, the Board considers a variety of metrics that capture the systemic "footprint" of the resulting firm and the incremental effect of the transaction on the systemic footprint of the acquiring firm. These metrics include measures of the size of the resulting firm, the availability of substitute providers for any critical products and services offered by the resulting firm, the interconnectedness of the resulting firm with the banking or financial system, the extent to which the resulting firm contributes to the complexity of the financial system, and the extent of the cross-border activities of the resulting firm.[27] These categories are not exhaustive, and additional categories could inform the Board's decision. In addition to these quantitative measures, the Board considers qualitative factors, such as the opaqueness and complexity of an institution's internal organization, that are indicative of the relative degree of difficulty of resolving the resulting firm. A financial institution that can be resolved in an orderly manner is less likely to inflict material damage to the broader economy.[28]

The Board's experience has shown that proposals involving an acquisition of less than $10 billion in assets, or that result in a firm with less than $100 billion in total assets, are generally not likely to pose systemic risks. Accordingly, the Board presumes that a proposal does not raise material financial stability concerns if the assets involved fall below either of these size thresholds, absent evidence that the transaction would result in a significant increase in interconnectedness, complexity, cross-border activities, or other risk factors.[29]

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[27] Many of the metrics considered by the Board measure an institution's activities relative to the United States financial system.

[28] For further discussion of the financial stability standard, see Capital One Financial Corporation, FRB Order No. 2012-2 (February 14, 2012).

[29] See People's United Financial, Inc., FRB Order No. 2017-08 at 25-26 (March 16, 2017). Notwithstanding this presumption, the Board has the authority to review the financial stability implications of any proposal. For example, an acquisition involving a global systemically important bank could warrant a financial stability review by the Board, regardless of the size of the acquisition.

In this case, the Board has considered information relevant to risks to the stability of the United States banking or financial system. The proposal involves a target that has less than $10 billion in assets and a pro forma organization of less than $100 billion in assets. The pro forma organization would have minimal cross-border activities and would not exhibit an organizational structure, complex interrelationships, or unique characteristics that would complicate resolution of the organization in the event of financial distress. In addition, the organization would not be a critical services provider or so interconnected with other firms or the markets that it would pose a significant risk to the financial system in the event of financial distress.

In light of all the facts and circumstances, this transaction would not appear to result in meaningfully greater or more concentrated risks to the stability of the United States banking or financial system. Based on these and all other facts of record, the Board determines that considerations relating to financial stability are consistent with approval.

Conclusion

Based on the foregoing and all the facts of record, the Board determines that the application should be, and hereby is, approved. In reaching its conclusion, the Board has considered all the facts of record in light of the factors that it is required to consider under the Bank Merger Act and other applicable statutes. The Board's approval is specifically conditioned on compliance by Huron Bank with all of the conditions imposed in this order, including receipt of all required regulatory approvals, and on the commitments made to the Board in connection with the application. For purposes of this action, the conditions and commitments are deemed to be conditions imposed in writing by the Board in connection with its findings and decision herein and, as such, may be enforced in proceedings under applicable law.

The proposal may not be consummated before the fifteenth calendar day after the effective date of this order or later than three months thereafter, unless such period is extended for good cause by the Board or by the Reserve Bank, acting under delegated authority.

By order of the Board of Governors,[30] effective January 16, 2018.

Ann E. Misback (signed)

Ann E. Misback
Secretary of the Board

[30] Voting for this action: Chair Yellen, Vice Chairman for Supervision Quarles, and Governors Powell and Brainard.