

FEDERAL RESERVE SYSTEM

Columbia Bank MHC
Fair Lawn, New Jersey

Columbia Financial, Inc.
Fair Lawn, New Jersey

Order Approving the Conversion from Mutual to Stock Form, the Formation of a Savings and Loan Holding Company by Acquiring a Covered Savings Association, and the Acquisition of a Savings and Loan Holding Company

Columbia Bank MHC, the parent mutual savings and loan holding company (“SLHC”) of Columbia Financial, Inc. (“Mid-Tier”), a Delaware SLHC, and Columbia Bank, a federal savings bank, all of Fair Lawn, New Jersey, has requested the Board’s approval to convert from mutual to stock form, pursuant to section 10(o) of the Home Owners’ Loan Act, as amended (“HOLA”), as implemented by subpart E of the Board’s Regulation MM.¹ Following the conversion, Columbia Bank MHC and Mid-Tier would cease to exist and Columbia Bank would become a wholly owned subsidiary of Columbia Financial, Inc. (“Columbia Financial”), Fair Lawn, New Jersey, a newly formed Maryland corporation, which has requested the Board’s approval to become an SLHC by acquiring a covered savings association, pursuant to section 3 of the Bank Holding Company Act of 1956 (“BHC Act”).² Columbia Financial also has filed a notice

¹ 12 U.S.C. § 1467a(o); 12 CFR 239, subpart E.

² 12 U.S.C. § 1841 *et seq.* Columbia Bank has elected to operate as a covered savings association. *See* 12 U.S.C. § 1464a. Therefore, Columbia Financial’s proposal to acquire Columbia Bank requires the Board’s approval under section 3 of the BHC Act because the Board generally treats a company that controls a covered savings association as a bank holding company. *See* Frequently Asked Questions about Covered Savings Associations Pursuant to Section 5A of the Home Owners’ Loan Act (“CSA FAQs”), <https://www.federalreserve.gov/supervisionreg/legalinterpretations/covered-savings-associations-frequently-asked-questions.htm> (Transactions Involving a CSA or a Company That Controls a CSA, Question Q2; and Scope of Section 5A, Question Q2).

under sections 4(c)(8) and 4(j) of the BHC Act³ to acquire Northfield Bancorp, Inc. (“Northfield Bancorp”), Woodbridge, New Jersey, and thereby indirectly acquire its federal savings bank subsidiary, Northfield Bank, Staten Island, New York.⁴ Following the proposed acquisition, Northfield Bancorp would be merged with and into Columbia Financial, and Northfield Bank would be merged with and into Columbia Bank.⁵

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published (91 *Federal Register* 13307 (March 19, 2026)), in accordance with the Board’s Rules of Procedure.⁶ The time for submitting comments has expired, and the Board received two adverse comments on the proposal. The Board has considered the proposal and the comments received in light of the factors set forth in section 10(o) of HOLA and sections 3 and 4 of the BHC Act.

Columbia Bank MHC, with consolidated assets of approximately \$11.0 billion, is the 139th largest insured depository organization in the United States.⁷ Columbia Bank MHC controls approximately \$8.5 billion in consolidated deposits, which represent less than 1 percent of the total amount of deposits of insured depository

³ 12 U.S.C. §§ 1843(c)(8) and (j).

⁴ Because, following consummation of the conversion transaction, Columbia Financial would control Columbia Bank, a covered savings association, Columbia Financial’s proposal to indirectly acquire Northfield Bank requires the Board’s approval under section 4 of the BHC Act. *See* 12 U.S.C. § 1464a; CSA FAQs, <https://www.federalreserve.gov/supervisionreg/legalinterpretations/covered-savings-associations-frequently-asked-questions.htm>.

⁵ The merger of Northfield Bank with and into Columbia Bank is subject to the approval of the Office of the Comptroller of the Currency (“OCC”) under section 18(c) of the Federal Deposit Insurance Act. 12 U.S.C. § 1828(c) (“Bank Merger Act”). The OCC approved the Bank Merger Act application on May 4, 2026.

⁶ 12 CFR 262.3(i).

⁷ Consolidated asset and national ranking data are as of December 31, 2025, unless otherwise noted.

institutions in the United States.⁸ Columbia Bank MHC controls Columbia Bank, which operates only in New Jersey. Columbia Bank is the 11th largest insured depository institution in New Jersey, controlling deposits of approximately \$8.2 billion, which represent 1.9 percent of the total deposits of insured depository institutions in that state.⁹

Northfield Bancorp, with consolidated assets of approximately \$5.8 billion, is the 240th largest insured depository organization in the United States. Northfield Bancorp controls approximately \$4.0 billion in consolidated deposits, which represent less than 1 percent of the total amount of deposits of insured depository institutions in the United States. Northfield Bancorp controls Northfield Bank, which operates in New Jersey and New York. Northfield Bank is the 29th largest insured depository institution in New Jersey, controlling deposits of approximately \$1.8 billion, which represent less than 1 percent of the total deposits of insured depository institutions in that state.

On consummation of the proposed conversion of Columbia Bank MHC and acquisition of Northfield Bancorp, Columbia Financial would become the 110th largest insured depository organization in the United States, with consolidated assets of approximately \$18.1 billion.¹⁰ Columbia Financial would control deposits of approximately \$12.5 billion, which represent less than 1 percent of the total amount of deposits of insured depository institutions in the United States. In New Jersey, Columbia Financial would become the 9th largest insured depository organization, controlling deposits of approximately \$10.0 billion, which would represent 2.3 percent of the total deposits of insured depository institutions in that state.

⁸ Consolidated national deposit and market share data are as of December 31, 2025, unless otherwise noted. In this context, insured depository institutions include commercial banks, savings associations, and savings banks.

⁹ State deposit and market share data are as of June 30, 2025.

¹⁰ Consolidated asset and national deposit data in this paragraph are based on pro forma information provided by Northfield Bancorp. The data take into account both the proposed conversion of Columbia Bank MHC (assuming the midpoint scenario for the share offering related to the proposed conversion) and Columbia Financial's proposed acquisition of Northfield Bancorp. State deposit and market share data in this paragraph are based on Federal Reserve System data as of June 30, 2025.

Conversion from Mutual to Stock Form

Columbia Bank MHC must seek the Board's prior approval before converting from mutual to stock form.¹¹ Under subpart E of Regulation MM, the Board reviews specific information in acting on applications by mutual holding companies to convert from mutual to stock form, including the plan of conversion, the appraisal and pricing materials, and any public comments.¹² The Board also considers the compliance record of the depository institution and the business plan to determine how the conversion would affect the convenience and needs of its communities.¹³

The Board may approve an application for conversion only if (i) the conversion complies with the mutual holding company conversion provisions in subpart E of the Board's Regulation MM, (ii) the institution would meet all applicable regulatory capital requirements after the conversion,¹⁴ and (iii) the conversion would not result in a taxable reorganization under the Internal Revenue Code of 1986, as amended.¹⁵

The Board has considered all these factors and, as described below, has determined that all considerations are consistent with approval of the conversion application. The review was conducted in light of all the facts of record, including examination records and other supervisory information concerning the institutions, publicly reported and other financial information, and information provided by Columbia Bank MHC and Columbia Financial.

Factors Governing Board Review of the Proposed Acquisition of Northfield Bancorp

¹¹ 12 U.S.C. § 1467a(o); 12 CFR 239.55.

¹² See 12 CFR 239, subpart E.

¹³ 12 CFR 239.55(g)(3). See the "*Convenience and Needs Considerations*" section *infra* for additional discussion of convenience and needs considerations.

¹⁴ See the "*Financial, Managerial, and Other Supervisory Considerations*" section *infra* for additional discussion of financial considerations.

¹⁵ See 12 CFR 239.55(g)(1).

The Board previously has determined by regulation that the operation of a savings association by a bank holding company is closely related to banking for purposes of section 4(c)(8) of the BHC Act.¹⁶ The Board requires that savings associations acquired by bank holding companies conform their direct and indirect activities to those permissible for bank holding companies under section 4(c)(8) of the BHC Act.¹⁷

Section 4(j)(2)(A) of the BHC Act requires the Board to consider whether the proposed acquisition of Northfield Bancorp “can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, unsound banking practices, or risk to the stability of the United States banking or financial system.”¹⁸ As part of its evaluation, the Board reviews the financial and managerial resources and the future prospects of the companies involved, the effect of the proposal on competition in the relevant markets, the risk to the stability of the U.S. banking or financial system, and the public benefits of the proposal.¹⁹ The Board also reviews the records of performance of the relevant insured depository institutions under the Community Reinvestment Act of 1977 (“CRA”).²⁰

¹⁶ 12 CFR 225.28(b)(4)(ii).

¹⁷ *Id.*

¹⁸ 12 U.S.C. § 1843(j)(2)(A).

¹⁹ *See* 12 CFR 225.26. *See, e.g., Texas Independent Bancshares, Inc.*, FRB Order No. 2019-10 (June 27, 2019); *M&T Bank Corporation*, FRB Order No. 2014-21 (December 10, 2014); *Capital One Financial Corporation*, FRB Order No. 2012-2 (February 14, 2012); *Bank of America Corporation/Countrywide*, 94 Federal Reserve Bulletin C81 (2008).

²⁰ 12 U.S.C. § 2901 *et seq.*

Interstate Analysis²¹

With respect to Columbia Financial's proposed acquisition of Northfield Bancorp, section 4(i)(8) of the BHC Act provides that, in general, the Board may not approve an application under section 4(c)(8) or any other provision of the BHC Act by a bank holding company to acquire an insured depository institution if the home state of the target insured depository institution is a state other than the home state of the applicant and the applicant controls or would control upon consummation of the proposed transaction more than 10 percent of the total amount of deposits of insured depository institutions in the United States.²² For purposes of the BHC Act, the home state of Columbia Financial will be New Jersey,²³ and the home state of Northfield Bank is New York. Upon consummation of both the conversion of Columbia Bank MHC and Columbia Financial's acquisition of Northfield Bancorp, the combined organization would control less than 1 percent of the total amount of deposits of insured depository institutions in the United States. Accordingly, in light of all the facts of record, the Board is not required to deny the proposal under section 4(i)(8) of the BHC Act.

Competitive Considerations

Section 3 of the BHC Act prohibits the Board from approving a proposal that would result in a monopoly or would be in furtherance of an attempt to monopolize

²¹ The proposal by Columbia Financial to become a savings and loan holding company by acquiring a covered savings association does not require interstate analysis under section 3(d) of the BHC Act because the home state of Columbia Financial is expected to be New Jersey, and Columbia Bank is located only within New Jersey. *See* 12 U.S.C. §§ 1841(o)(4)–(7) and 1842(d). Upon consummation of the proposal, Columbia Financial's home state will be determined based on the state in which the total deposits of all banking subsidiaries of Columbia Financial are the highest on the date it becomes an SLHC. Because Columbia Financial's proposed subsidiary, Columbia Bank, is located only in New Jersey, it is expected that Columbia Financial's home state will be New Jersey.

²² 12 U.S.C. § 1843(i)(8).

²³ *See supra* note 21.

the business of banking in any relevant market.²⁴ The BHC 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.²⁵ In addition, as part of the Board's consideration of the factors under section 4(j)(2) of the BHC Act, the Board evaluates the competitive effects of a proposal in light of all of the facts of record, including public comments received on the proposal.

Columbia Financial does not currently control an insured depository institution and would not control any insured depository institution until its acquisition of Columbia Bank, following the proposed conversion of Columbia Bank MHC. Columbia Financial represents that its becoming an SLHC by acquiring Columbia Bank, a covered savings association, would not affect competition in any banking market presently served by Columbia Bank.

Immediately following the conversion of Columbia Bank MHC, Columbia Financial and Northfield Bancorp would have subsidiary banks that compete directly in the Metro New York City, NY–NJ–CT–PA (“Metro New York City”) banking market²⁶ and the Philadelphia, Pennsylvania (“Philadelphia”), banking market.²⁷ The Board has

²⁴ 12 U.S.C. § 1842(c)(1)(A).

²⁵ 12 U.S.C. § 1842(c)(1)(B).

²⁶ The Metro New York City banking market is defined as Fairfield County, Connecticut; portions of Litchfield County, Connecticut; portions of New Haven County, Connecticut; Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, and Westchester counties, New York; portions of Columbia County, New York; portions of Greene County, New York; Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, and Union counties, New Jersey; portions of Burlington County, New Jersey; portions of Mercer County, New Jersey; portions of Warren County, New Jersey; portions of Monroe County, Pennsylvania; and portions of Wayne County, Pennsylvania.

²⁷ The Philadelphia banking market is defined as Camden, Cumberland, Gloucester, and Salem counties, New Jersey; portions of Burlington County, New Jersey; portions of

considered the competitive effects of the proposal in these banking markets. In particular, the Board has considered the relative share of total deposits in insured depository institutions in the markets (“market deposits”) that Columbia Financial would control;²⁸ the concentration level of market deposits and the increase in this level, as measured by the Herfindahl-Hirschman Index (“HHI”) under the 1995 Bank Merger Competitive Review guidelines (“1995 Bank Merger Guidelines”);²⁹ the number of competitors that would remain in each market; and other characteristics of the markets.

Mercer County, New Jersey; and Bucks, Chester, Delaware, Montgomery, and Philadelphia counties, Pennsylvania.

²⁸ Local deposit and market share data are as of June 30, 2025, and are based on calculations in which the deposits of Columbia Bank are included at 100 percent, and those of Northfield Bank are included at 50 percent. Because Columbia Bank has elected to operate as a covered savings association, the Board treats Columbia Bank as if it was a national bank for purposes of its analysis of the competitive factor, consistent with the Board’s treatment of covered savings associations generally. *See* CSA FAQs. 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); *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., Huntington Bancshares Incorporated*, FRB Order No. 2021-07, at 5–6 (May 25, 2021); *Hancock Whitney Corporation*, FRB Order No. 2019-12, at 6 (September 5, 2019).

²⁹ Department of Justice, Bank Merger Competitive Review – Introduction and Overview, <https://www.justice.gov/sites/default/files/atr/legacy/2007/08/14/6472.pdf> (1995). On September 17, 2024, the United States Department of Justice (“DOJ”) announced its withdrawal from the 1995 Bank Merger Guidelines and emphasized that the 2023 Merger Guidelines, issued on December 18, 2023, remain its sole and authoritative statement across all industries. Press Release, Department of Justice, “Justice Department Withdraws from 1995 Bank Merger Guidelines,” <https://www.justice.gov/opa/pr/justice-department-withdraws-1995-bank-mergerguidelines>. The 1995 Bank Merger Guidelines had been adopted together with the federal banking agencies, and none of the federal banking agencies have withdrawn from the 1995 Bank Merger Guidelines. The Board continues to apply the 1995 Bank Merger Guidelines in evaluating bank merger proposals. The Board traditionally has considered a market 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. *See, e.g., Chemical Banking Corporation*, 78 Federal Reserve Bulletin 74 (1992). In addition, the Board traditionally has considered a merger not to have an anticompetitive effect where

Consummation of the proposal would be consistent with Board precedent and within the thresholds in the 1995 Bank Merger Guidelines in each of the Metro New York City and Philadelphia markets. On consummation, the Metro New York City market would remain moderately concentrated as measured by the HHI, and the change in HHI would be well within the thresholds in the 1995 Bank Merger Guidelines and consistent with Board precedent. The Philadelphia market would remain unconcentrated, and the change in HHI in the market would be small. Numerous competitors would remain in each of the markets.³⁰

the proposed merger would not increase the HHI by more than 200 points in any banking market, in the absence of other factors indicating anticompetitive effects.

³⁰ Immediately following the conversion of Columbia Bank MHC, Columbia Financial would be the 30th largest depository organization in the Metro New York City market, controlling approximately \$7.2 billion in deposits, which represent less than 1 percent of market deposits. Northfield Bancorp is the 62nd largest depository organization in the Metro New York City market, controlling approximately \$2.0 billion in deposits, which represent less than 1 percent of market deposits. On consummation of the proposed transaction, Columbia Financial would become the 24th largest depository organization in the market, controlling deposits of approximately \$11.1 billion, which would represent less than 1 percent of market deposits. The HHI for the Metro New York City market would decrease by 2 points to 1596, and 187 competitors would remain in the market, including Columbia Financial.

Immediately following the conversion of Columbia Bank MHC, Columbia Financial would be the 22nd largest depository organization in the Philadelphia market, controlling approximately \$1.0 billion in deposits, which represent less than 1 percent of market deposits. Northfield Bancorp is the 57th largest depository organization in the Philadelphia market, controlling approximately \$43 million in deposits, which represent less than 1 percent of market deposits. On consummation of the proposed transaction, Columbia Financial would remain the 22nd largest depository organization in the market, controlling deposits of approximately \$1.1 billion, which would represent less than 1 percent of market deposits. The HHI for the Philadelphia market would decrease by 1 point to 997, and 71 competitors would remain in the market, including Columbia Financial.

The above decreases in HHI result from the pre-merger weighting of Northfield Bank's market deposits at 50 percent and a post-merger weighting of those market deposits at 100 percent. *See BB&T Corporation*, FRB Order No. 2012-8 (July 31, 2012); *Norwest Corporation*, 78 Federal Reserve Bulletin 452 (1992); *First Banks, Inc.*, 76 Federal Reserve Bulletin 669 (1990) (deposits of thrifts are included in pre-merger

The DOJ conducted a review of the potential competitive effects of the proposal and has advised the Board that it did not conclude that the proposal would have a significantly adverse effect on competition. In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on all the facts of record, the Board concludes that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in any relevant banking market. Accordingly, the Board determines that competitive considerations are consistent with approval.

Financial, Managerial, and Other Supervisory Considerations

In reviewing proposals under sections 3 and 4 of the BHC Act, the Board considers the financial and managerial resources and the future prospects of the institutions involved, the effectiveness of the institutions in combatting money laundering, and any public comments on the proposal.³¹ 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 public and supervisory information regarding capital adequacy, asset quality, liquidity, and earnings performance, as well as any public comments on the proposal. 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 the proposed integration of the operations of the institutions effectively. In assessing financial factors, the Board

market share calculations on a 50 percent weighted basis but included at 100 percent in the calculation of pro forma market share because the deposits would be acquired by a commercial banking organization).

³¹ 12 U.S.C. § 1842(c)(2), (5), and (6); 12 U.S.C. § 1843(j)(2).

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.

Columbia Bank MHC, Northfield Bancorp, and their subsidiary depository institutions are well capitalized. Following the proposed conversion of Columbia Bank MHC, Columbia Financial would be well capitalized, and Columbia Bank would remain well capitalized. Additionally, Columbia Financial and Columbia Bank would remain well capitalized upon consummation of the proposed acquisition of Northfield Bancorp. The proposed transaction is a mutual-to-stock conversion resulting in a new SLHC that is acquiring a covered savings association, followed immediately by a holding company merger that is structured as a share or cash exchange, with a subsequent merger of Northfield Bank with and into Columbia Bank.³² The capital, asset quality, earnings, and liquidity of Columbia Bank MHC, Northfield Bancorp, and their subsidiary depository institutions are consistent with approval, and Columbia Bank MHC, Columbia Financial, and Columbia Bank appear to have adequate resources to absorb the related costs of the proposal and to complete the integration of the institutions' operations as proposed. In addition, the future prospects of the institutions are considered consistent with approval.

The Board also has considered the managerial resources of the organizations involved and of the proposed combined organization. The Board has reviewed the examination records and other supervisory information concerning the institutions, including assessments of the institutions' management, risk-management systems, and operations. In addition, the Board has considered information provided by Columbia Bank MHC and Columbia Financial; the Board's supervisory experiences and

³² At the time of the merger of Northfield Bancorp with and into Columbia Financial, each share of Northfield Bancorp would be converted into a right to receive either cash or shares of Columbia Financial common stock, based on an exchange ratio according to the value of Columbia Financial following completion of the mutual-to-stock conversion. Immediately following this merger, Northfield Bank would merge with and into Columbia Bank, with Columbia Bank as the surviving entity. Columbia Financial would have the financial resources to effect the proposed transaction.

those of other relevant bank supervisory agencies with the organizations; the organizations' records of compliance with applicable banking, consumer protection, and anti-money-laundering laws; and the public comments on the proposal.

Columbia Bank MHC and Columbia Bank are each considered to be well managed, as would Columbia Financial immediately following the proposed conversion of Columbia Bank MHC. The combined organization's proposed directors and senior executive officers have knowledge of and experience in the banking and financial services sectors, and the proposed risk-management program appears consistent with approval.

The Board also has considered Columbia Bank MHC's and Columbia Financial's plans for implementing the proposal. Columbia Bank MHC and Columbia Financial have conducted comprehensive due diligence and are devoting sufficient financial and other resources to address all aspects of the post-conversion and post-acquisition integration process for this proposal. In addition, Columbia Financial's management would have the experience and resources to operate the combined organization in a safe and sound manner.³³ Columbia Financial would integrate Northfield Bancorp's existing management and personnel in a manner that augments Columbia Financial's management and practices.³⁴

Based on all the facts of record, including Columbia Bank MHC's, Columbia Financial's, and Columbia Bank's supervisory records, managerial and operational resources, and plans for operating the combined organization after consummation, the Board determines that considerations relating to the financial and managerial resources and the future prospects of the organizations involved in the

³³ Columbia Bank MHC's management would become Columbia Financial's management immediately following the proposed conversion of Columbia Bank MHC. Columbia Bank MHC's management has the experience and resources to operate the combined organization in a safe and sound manner.

³⁴ Four members of Northfield Bancorp's board of directors would be appointed to the boards of Columbia Financial and Columbia Bank.

proposal, as well as the records of effectiveness of the institutions in combatting money-laundering activities, are consistent with approval.

Convenience and Needs Considerations

In acting on a proposal under sections 3 and 4 of the BHC Act, the Board considers the effects of the proposal on the convenience and needs of the communities to be served.³⁵ In evaluating whether the proposal satisfies the convenience and needs statutory factor, the Board considers the impact that the proposal will or is likely to have on the communities served by the combined organization. The Board reviews a variety of information to determine whether the relevant institutions' records demonstrate a history of helping to meet the needs of their customers and communities. The Board also reviews the combined institution's post-consummation plans and the expected impact of those plans on the communities served by the combined institution, including on low- and moderate-income ("LMI") individuals and communities. The Board considers whether the relevant institutions are helping to meet the credit needs of the communities they serve and are providing access to banking products and services that meet the needs of customers and communities, including the potential impact of branch closures, consolidations, and relocations on that access. In addition, the Board reviews the records of the relevant depository institutions under the CRA.³⁶ The Board strongly encourages insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with the institutions' safe and sound operation and their obligations under the CRA.³⁷

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, gender,

³⁵ 12 U.S.C. § 1842(c)(2); 12 U.S.C. § 1843(j)(2)(A). Where applicable, the Board also considers any timely substantive comments on the proposal and, in its discretion, may consider any untimely substantive comments on the proposal.

³⁶ 12 U.S.C. § 2901 *et seq.*

³⁷ *See* 12 U.S.C. § 2901(b).

or certain other characteristics. The Board also considers assessments of other relevant supervisors, the supervisory views of examiners, other supervisory information, information provided by the applicants, and public comments on the proposal. The Board also may consider the acquiring institution's business model and intended marketing and outreach, the combined 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 the facts of record, including reports of examination of the CRA performance of Columbia Bank and Northfield Bank, the fair lending and compliance records of both banks, the supervisory views of the OCC and of the Federal Reserve Bank of Philadelphia, confidential supervisory information, information provided by Columbia Bank MHC and Columbia Financial, and the public comments received on the proposal.

Public Comments on the Proposal

The Board received two timely adverse comments on the proposal, both from the same commenter. The commenter objected to the proposal, alleging that Columbia Bank made fewer home loans to African Americans as compared to white individuals in New Jersey and New York in 2024.³⁸ The commenter also alleged that Columbia Bank denied home loan applications of African American individuals at a higher rate than those of white individuals in New Jersey and New York in 2024. The commenter raised similar fair lending concerns regarding Northfield Bank.³⁹

³⁸ The data cited by the commenter corresponds to publicly available 2024 data reported by Columbia Bank under the Home Mortgage Disclosure Act of 1975 ("HMDA"). 12 U.S.C. § 2801 *et seq.*

³⁹ The data cited by the commenter corresponds to publicly available 2024 data reported by Northfield Bank under the HMDA. Separately, the commenter noted consumer complaints against both Columbia Bank and Northfield Bank that are publicly available on the CFPB's website. Complaints based on individual customer transactions generally are not considered to be substantive comments and, thus, generally are not considered by the Board in its evaluation of the statutory factors governing the transaction. *See*

Businesses of the Involved Institutions and Response to the Public

Comments

Through Columbia Bank, Columbia Bank MHC offers consumer and commercial banking products and services. Following the proposed conversion of Columbia Bank MHC, Columbia Financial would offer these same products and services through Columbia Bank. Columbia Bank's loan products include multifamily and commercial real estate loans, commercial business loans, one-to-four family real estate loans, construction loans, home equity loans and advances, and other consumer loans. Through wholly owned subsidiaries, Columbia Bank offers title insurance and insurance agency services, and through a third party, Columbia Bank offers wealth management services.

Through Northfield Bank, Northfield Bancorp offers a variety of loan and deposit products and services. Northfield Bank's principal business consists of originating multifamily and commercial real estate loans, construction and land loans, and home equity loans and lines of credit. Northfield Bank also occasionally purchases loan participations and pools of loans, as well as investment securities. Additionally, Northfield Bank offers a variety of deposit products, including certificates of deposit and passbook, statement, money market savings, and transaction deposit accounts.

Records of Performance under the CRA

In evaluating the CRA performance of the involved institutions, the Board generally considers each institution's most recent CRA evaluation and the supervisory views of relevant federal supervisors, which in this case is the OCC with respect to both Columbia Bank and Northfield Bank.⁴⁰ In addition, the Board considers information provided by the applicants and any public commenters.

12 CFR 225.16(c)(3); SR Letter 97-10 (Apr. 24, 1997), <https://www.federalreserve.gov/boarddocs/srletters/1997/sr9710.htm>.

⁴⁰ See Interagency Questions and Answers Regarding Community Reinvestment, 81 *Federal Register* 48506, 48548 (July 25, 2016).

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.⁴¹ 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 ("Lending Test"), an investment test ("Investment Test"), and a service test ("Service Test") to evaluate the performance of large banks, such as Columbia Bank and Northfield Bank, in helping to meet the credit needs of the communities they serve. The Lending Test specifically evaluates an 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 HMDA, in addition to small business, small farm, and community development loan data collected and reported under the CRA regulations, to assess an institution's lending activities with respect to borrowers and geographies of different income levels. The institution's lending performance is evaluated based on a variety of factors, including (1) the number and amounts of home mortgage, small business, small farm, and consumer loans (as applicable) in the institution's CRA assessment areas ("AAs"); (2) the geographic distribution of the institution's lending, including the proportion and dispersion of the institution's lending in its AAs and the number and amounts of loans in low-, moderate-, middle-, and upper-income geographies; (3) the distribution of loans based on borrower characteristics, including, for home mortgage loans, the number and amounts of loans to low-, moderate-, middle-, and upper-income

⁴¹ 12 U.S.C. § 2906.

individuals;⁴² (4) the institution's community development lending, including the number and amounts of community development loans and their complexity and innovativeness; and (5) the institution's use of innovative or flexible lending practices to address the credit needs of LMI individuals and geographies.⁴³ The Investment Test evaluates the number and amounts of qualified investments that benefit the institution's AAs. The Service Test evaluates the availability and effectiveness of the institution's systems for delivering retail banking services and the extent and innovativeness of the institution's community development services.⁴⁴

The Board is concerned when HMDA data reflect disparities in the rates of loan applications, originations, and denials among members of different racial, ethnic, or gender groups in local areas. These types of disparities may indicate weaknesses in the adequacy of policies and programs at an institution for meeting its obligations to extend credit fairly. However, other information critical to an institution's credit decisions may not be available from public HMDA data.⁴⁵ Consequently, the Board considers additional information not available to the public that may be needed from the institution and evaluates disparities in the context of the additional information obtained regarding the lending and compliance record of an institution.

⁴² Examiners also consider the number and amounts of small business and small farm loans made to businesses and farms with gross annual revenues of \$1 million or less; small business and small farm loans by loan amount at origination; and consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals. *See, e.g.*, 12 CFR 228.22(b)(3) (2023).

⁴³ *See* 12 CFR 228.22(b) (2023).

⁴⁴ *See* 12 CFR 228.23 and 228.24 (2023).

⁴⁵ Importantly, credit scores are not available in the public HMDA data. Accordingly, when conducting fair lending examinations, examiners analyze additional information not available to the public before reaching a determination regarding an institution's compliance with fair lending laws.

CRA Performance of Columbia Bank

Columbia Bank was assigned an overall rating of “Satisfactory” at its most recent CRA performance evaluation by the OCC, as of September 2, 2023 (“Columbia Bank Evaluation”).⁴⁶ The bank received “High Satisfactory” ratings for each of the Lending Test and the Investment Test, and a “Low Satisfactory” rating for the Service Test.⁴⁷

With respect to the Lending Test, examiners found that Columbia Bank’s lending levels reflected excellent responsiveness to AA credit needs. Examiners found that the bank exhibited an adequate geographic distribution of loans in its AAs. Examiners also found that the bank exhibited a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution. Examiners noted that Columbia Bank was a leader in making community development loans and that its level of community development loans had a positive impact on the overall Lending Test. Examiners also found that Columbia Bank made extensive use of innovative and/or flexible lending practices in order to serve its AAs’ credit needs.

With respect to the Investment Test, examiners found that the bank’s performance in the New York CSA was good and that its performance in the BCG AA was adequate. Examiners noted that Columbia Bank had a significant level of qualified

⁴⁶ The Columbia Bank Evaluation was conducted using the Interagency Large Institution CRA Examination Procedures. Examiners reviewed the bank’s home mortgage loans, home equity installment loans, home equity lines of credit, and commercial real estate loans secured by multifamily dwellings reported under HMDA from January 1, 2020, to December 31, 2022. Additionally, examiners reviewed small loans to businesses reported under the CRA.

⁴⁷ The Columbia Bank Evaluation involved a full-scope review of the bank’s activities in its two AAs: the New York–Newark, Multistate Combined Statistical Area (“New York CSA”); and Burlington, Camden, and Gloucester counties, New Jersey (“BCG AA”). Examiners applied greater emphasis to conclusions in the New York CSA than to conclusions in the BCG AA because the New York CSA accounted for nearly 89.2 percent of branches, 89.7 percent of deposits, and 89.5 percent of originations and purchases during the evaluation period.

community development investments and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors. Examiners also noted that the institution exhibited good responsiveness to credit and community economic development needs. Examiners found that the bank made significant use of innovative and/or complex investments to support community development initiatives.

With respect to the Service Test, examiners found that the bank's performance in the New York CSA was adequate and that its performance in the BCG AA was poor. Examiners found that Columbia Bank's service delivery systems were reasonably accessible to geographies and individuals of different income levels in the institution's AAs. Examiners also found that the institution provided a good level of community development services, which had a neutral impact on its Service Test rating. On an overall basis, the bank received a "Low Satisfactory" rating.

CRA Performance of Northfield Bank

Northfield Bank was assigned an overall rating of "Satisfactory" at its most recent CRA performance evaluation by the OCC, as of May 15, 2023 ("Northfield Bank Evaluation").⁴⁸ The bank received "High Satisfactory" ratings for each of the Lending, Investment, and Service Tests.⁴⁹

With respect to the Lending Test, examiners found that Northfield Bank's lending levels reflected good responsiveness to the credit needs of the bank's AA. Examiners also found that the overall geographic distribution of the bank's loans within its AA was adequate. Examiners noted that Northfield Bank exhibited a good distribution of loans among individuals of different income levels and businesses of different sizes,

⁴⁸ The Northfield Bank Evaluation was conducted using Interagency Large Institution CRA Examination Procedures. Examiners reviewed home mortgage and small loans to businesses from January 1, 2020, to December 31, 2021, and community development loans, qualified investments, and retail and community development services from January 1, 2020, to December 31, 2022.

⁴⁹ The Northfield Bank Evaluation involved a full-scope review of the bank's activities in its sole AA: the New York–Newark Consolidated Multistate Metropolitan Statistical Area ("New York MMSA").

given the product lines offered by the institution. Examiners also determined that Northfield Bank was a leader in making community development loans and used innovative and/or flexible lending practices in order to serve AA credit needs.

With respect to the Investment Test, examiners found that the institution had a significant level of qualified community development investments and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors. Examiners also noted that Northfield Bank exhibited good responsiveness to credit and community economic development needs and occasionally used innovative and/or complex investments to support community development initiatives.

With respect to the Service Test, examiners found that Northfield Bank's service delivery systems were reasonably accessible to geographies and individuals of different income levels in the institution's AA. Examiners also noted that the institution was a leader in providing community development services.

Additional Supervisory Views

In its review of the proposal, the Board consulted with and considered the views of the OCC as the primary federal supervisor of both Columbia Bank and Northfield Bank. The Board also considered the results of the most recent consumer compliance examinations of Columbia Bank and Northfield Bank, which included reviews of the banks' compliance management programs and their compliance with consumer protection laws and regulations, including fair lending.

The Board has taken this information, as well as the CRA performance records of Columbia Bank and Northfield Bank, into account in evaluating the proposal, including in considering whether Columbia Financial has the experience and resources to ensure that the combined organization would help meet the credit needs of the communities to be served following consummation of the proposed transaction.

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. This includes, for example, the

combined organization's business model and intended marketing and outreach and existing and anticipated product and service offerings in the communities to be served by the organization, any additional plans the combined organization has for meeting the needs of its communities following consummation, and any other information the Board deems relevant.

Columbia Financial represents that, following consummation of the proposal, Columbia Bank would continue its current CRA strategy and extend it across its expanded AAs. Columbia Financial states that this strategy includes offering affordable housing mortgage products, down payment and closing cost assistance, a special purpose credit program designed to increase access to homeownership in underserved communities, and home equity products structured to support affordability for LMI borrowers. The bank also participates in regional and federal affordable housing and homebuyer programs. Columbia Financial also represents that Columbia Bank will continue its Small Business Administration and community development lending activities, which support housing, community services, and economic revitalization. Columbia Financial further states that service-focused activities would remain central to Columbia Bank's CRA strategy and that Columbia Bank would continue providing financial education, community leadership, and volunteer efforts across its expanded geographic footprint while maintaining branch access in LMI communities where appropriate. Columbia Financial represents that Northfield Bank's existing small business, small farm, and community development lending patterns would help inform the combined organization's future goals and help ensure that its lending reflects the needs of the communities it serves.

Branch Closures

Physical branches remain important to many banking organizations' ability to meet the credit needs of the local communities in which they operate. When banking organizations combine, whether through acquisitions, mergers, or consolidations, the combination has the potential to increase or to reduce consumers' and small businesses' access to available credit and other banking services. Although the Board does not have

the authority to prohibit a bank from closing a branch, the Board focuses on the impact of expected branch closures, consolidations, and relocations that occur in connection with a proposal on the convenience and needs of the communities to be served by the resulting institution. In particular, the Board considers the effect of any closures, consolidations, or relocations on LMI communities.

Federal banking law provides a specific mechanism for addressing branch closings, including requiring that a bank provide notice to the public and the appropriate federal supervisory agency before a branch is closed.⁵⁰ In addition, the federal banking supervisory agencies evaluate a bank's record of opening and closing branches, particularly branches located in LMI geographies or that primarily service LMI individuals, as part of the CRA examination process.⁵¹

Columbia Financial represents that no branches would be closed at the time of the merger of Northfield Bank into Columbia Bank. Columbia Financial indicated that, following the merger, it intends to evaluate the resulting branch network, giving careful consideration to limit potential negative impacts of any potential branch closures on any surrounding communities. Columbia Financial also states that final decisions regarding any branch closures would be made in accordance with Columbia Bank's branch closing policy and all applicable regulatory requirements and guidance, including with respect to communications with customers about planned closures.

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 information, information provided by Columbia Bank MHC and Columbia Financial, the public comments on the proposal, and other potential effects of the proposal on the convenience

⁵⁰ See 12 U.S.C. § 1831r-1. The bank also is required to provide reasons and other supporting data for the closure, consistent with the institution's written policy for branch closings.

⁵¹ See, e.g., 12 CFR 228.24(d)(2) (2023).

and needs of the communities to be served. Based on that review, the Board determines that the convenience and needs factor is consistent with approval.

Financial Stability Considerations

Section 3 of the BHC Act requires the Board to consider “the extent to which a proposed acquisition, merger, or consolidation would result in greater or more concentrated risks to the stability of the United States banking or financial system.”⁵² In addition, section 4 of the BHC Act requires the Board to consider the “risk to the stability of the United States banking or financial system” as one of the possible adverse effects that the Board must weigh against any public benefits in considering a proposal under section 4(j) of the BHC Act.⁵³

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.⁵⁴ 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 opacity and complexity of an institution’s internal organization, that are indicative of the relative degree of difficulty of resolving the resulting firm. A

⁵² 12 U.S.C. § 1842(c)(7).

⁵³ 12 U.S.C. § 1843(j)(2)(A).

⁵⁴ Many of the metrics considered by the Board measure an institution’s activities relative to the United States financial system.

financial institution that can be resolved in an orderly manner is less likely to inflict material damage on the broader economy.⁵⁵

The Board's experience has shown that proposals involving an acquisition of less than \$10 billion in total assets, or that result in a firm with less than \$100 billion in total assets, generally are 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.⁵⁶

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 with less than \$10 billion in total assets and a pro forma organization with less than \$100 billion in total assets. Both the acquirer and the target are predominantly engaged in retail and commercial banking activities.⁵⁷ The pro forma organization would not exhibit an organizational structure, complex interrelationships, or unique characteristics that would complicate resolution of the firm 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.

⁵⁵ For further discussion of the financial stability standard, see *Capital One Financial Corporation*, FRB Order No. 2012-2 (February 14, 2012).

⁵⁶ 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.

⁵⁷ Columbia Bank MHC and Northfield Bancorp offer a range of retail and commercial banking products and services. Columbia Bank MHC has, and Columbia Financial as a result of the proposal would have, a small market share in these products and services on a nationwide basis.

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.

Weighing of Public Benefits of the Proposal

As noted above, in connection with a notice under section 4 of the BHC Act, the Board is required to “consider whether performance of the activity by a bank holding company or a subsidiary of such company can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, unsound banking practices, or risk to the stability of the United State banking or financial system.”⁵⁸ As discussed above, the Board has considered Columbia Financial’s representations that, following the transaction, Columbia Bank would extend its product offerings to customers across its expanded AAs and provide financial education, community leadership, and volunteer efforts across its expanded geographic footprint.

The Board concludes that the conduct of the proposed nonbanking activities within the framework of Regulation Y, Board precedent, and this order is not likely to result in significant adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, unsound banking practices, or risk to the stability of the U.S. banking or financial system. On the basis of the entire record, including conditions noted in this order, and for the reasons discussed above, the Board believes that the balance of benefits and potential adverse effects related to competition, financial and managerial resources, convenience and needs, financial stability, and other factors weighs in favor of approval of the proposal. Accordingly, the Board determines

⁵⁸ 12 U.S.C. § 1843(j)(2).

that the balance of the public benefits of the proposal under the standard in section 4(j)(2)(A) of the BHC Act is consistent with approval.

Conclusion

Based on the foregoing and all the facts of record, the Board determines that the proposal should be, and hereby is, approved.⁵⁹ 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 BHC Act, HOLA, and other applicable statutes. The Board's approval is specifically conditioned on compliance by Columbia Bank MHC and Columbia Financial with all conditions imposed in this order and on any commitments made to the Board in connection with the proposal. The Board's approval also is conditioned on

⁵⁹ The commenter requested that the Board hold public hearings on the proposal. Under section 3(b) of the BHC Act, the Board must hold a public hearing on a proposal if the appropriate supervisory authorities for the acquiring bank or the bank to be acquired make a timely written recommendation of disapproval of the proposal. 12 U.S.C. § 1842(b); *see also* 12 CFR 225.16(e). The Board has not received such a recommendation from the appropriate supervisory authorities. Under its rules, the Board, in its discretion, may hold a public hearing if appropriate to allow interested persons an opportunity to provide relevant testimony when written comments would not adequately present their views. 12 CFR 225.16(e); 12 CFR 239.55(a). In addition, with respect to a notice submitted under section 4 of the BHC Act, the Board may order a hearing and shall do so only if there are disputed issues of material fact that cannot be resolved in some other manner. 12 CFR 225.25(a)(2). The Board has considered the commenter's request in light of all the facts of record. In the Board's view, the commenter has had ample opportunity to submit comments on the proposal and, in fact, submitted written comments that the Board has considered in acting on the proposal. The commenter's request does not identify disputed issues of fact that are material to the Board's decision and would be clarified by a public hearing. In addition, the request does not demonstrate why written comments do not present the commenter's views adequately or why a hearing otherwise would be necessary or appropriate. For these reasons, and based on all the facts of record, the Board has determined that a public hearing is not required or warranted in this case. Accordingly, the request for public hearings on the proposal is denied.

The commenter also requested an extension of the comment period for the application. The commenter's request for additional time to comment did not identify circumstances that would warrant an extension of the public comment period for this proposal. Accordingly, the Board has determined not to extend the comment period.

receipt by Columbia Bank MHC and Columbia Financial of all required regulatory approvals. 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.⁶⁰

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 the Federal Reserve Bank of Philadelphia, acting under delegated authority.

By order of the Board of Governors,⁶¹ effective May 8, 2026.

(signed) Michele Taylor Fennell

Michele Taylor Fennell
Associate Secretary of the Board

⁶⁰ See 12 U.S.C. § 1818(b)(1).

⁶¹ Voting for this action: Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Bowman, Governors Waller, Cook, Barr, and Miran.