



August 16, 2017

**CRA Decision #185
September 2017**

Amanda K. Allexon, Esq.
Richard K. Kim, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019-6150

RE: Application to merge Astoria Bank, Long Island City, New York, with and into Sterling National Bank, Montebello, New York
OCC Control Nos.: 2017-NE-Combination-295451,
2017-NE-Subsidiaries & Equities-298400, 298406, 298407, 298409, 298410,
and 298413 to 298418

Charter No.: 25075

Dear Ms. Allexon:

The Office of the Comptroller of the Currency (OCC) hereby approves the application by Sterling National Bank, Montebello, New York (Sterling) to merge Astoria Bank, Long Island City, New York (Astoria), with, into, and under the title and charter of Sterling (Application). The OCC also grants approval for Sterling to retain its branches located in New York and New Jersey, and to retain as branches, the main office and branches of Astoria in New York as part of the Merger. Sterling will also retain a number of operating subsidiaries of Astoria.

This approval is granted based on a thorough evaluation of all information available, including the application materials, commitments and representations made in the application, and by Sterling's representatives and other information available to the OCC.

I. The Transaction

Sterling is an approximately \$14.2 billion dollar national bank and is a wholly owned subsidiary of Sterling Bancorp, Montebello, New York (Sterling Bancorp), a Delaware corporation and bank holding company that has elected to be a financial holding company under the Bank Holding Act of 1956, as amended (BHC Act). In addition to Sterling's main office in Montebello, New York, Sterling operates 40 branches in New York and one branch in New Jersey.

Astoria is an approximately \$14.5 billion dollar Federal savings association and is wholly owned by Astoria Financial Corporation, Lake Success, New York (Astoria Financial), a savings and loan holding company incorporated in Delaware. In addition to its main office in Long Island City, New York, Astoria operates 87 branches in New York.

The merger transaction will take place in two steps, as follows:

- 1) Sterling Bancorp proposes to merge with Astoria Financial, pursuant to an Agreement and Plan of Merger by and between Sterling Bancorp and Astoria Financial (Merger Agreement) dated March 6, 2017. Pursuant to the Merger Agreement, Astoria Financial will merge with and into Sterling Bancorp, with Sterling Bancorp being the surviving company, and Astoria will become a wholly owned subsidiary of Sterling Bancorp.
- 2) Immediately following the consummation of the bank holding company merger, Astoria will merge with and into Sterling.

The OCC and the Board of Governors of the Federal Reserve System (FRB) received comments from three parties regarding the proposed merger. The OCC has carefully considered the concerns of the commenters as they relate to the statutory and regulatory factors considered by the OCC in acting on the application, including financial and managerial resources and future prospects, financial stability, performance under the Community Reinvestment Act, and the probable effects of the transaction on the convenience and needs of the communities to be served. The public comments will be discussed under the applicable statutory and regulatory factors in this letter.

II. Legal Authority

A. 12 USC 215c

Mergers between national banks and federal savings associations are authorized under 12 USC 215c, which is implemented by 12 CFR 5.33(g)(2). Under 12 CFR 5.33(g)(2), the surviving national bank in such a merger must comply with the procedures of 12 USC 215a as if the federal savings association were a national bank, and the federal savings association must comply with the requirements of 12 CFR 5.33(n), the procedures of 12 CFR 5.33(o), and provide notice to the OCC under 12 CFR 5.33(k). Sterling and Astoria have complied with the appropriate requirements.

Sterling has also requested retention of Astoria's home office and branches as branches of Sterling after the merger is authorized. Under 12 USC 36(c), a national bank may establish branches in a state if a state bank may establish a branch at that location.¹ The OCC has determined that Sterling may retain Astoria's home office and branches as branches under New York law.

B. Bank Merger Act

The OCC reviewed the proposed merger transaction under the criteria of 12 USC 215c, the BMA, and applicable OCC regulations and policies. Under the BMA, the OCC generally may not approve a merger that would substantially lessen competition. The BMA also requires the OCC to take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions. The OCC must also consider the effectiveness of any insured depository institutions involved in the proposed merger transaction in combating money laundering activities. 12 USC 1828(c)(11). Furthermore, the OCC must consider the risk of the transaction to the stability of the United States banking or financial system. 12 USC 1828(c)(5). The OCC considered these factors and found them consistent with approval of the Application.

The OCC must also consider the convenience and needs of the community to be served under the BMA as well as the record of compliance with the Community Reinvestment Act (CRA) of each institution in a merger transaction. 12 USC 1828(c)(5), 2903(a)(2), 2902(3)(E); 12 CFR 25.29(a)(3). As discussed

¹ As Astoria is a federal savings association, the branch retention provisions of 12 USC 36(b)(2) are inapplicable.

further within, the OCC has consider these factors and found them consistent with approval of the Application.

III. Community Reinvestment Act

The Community Reinvestment Act (CRA) requires the OCC to take into account the record of the banks' performance in helping to meet the credit needs of their communities, including low- and moderate-income (LMI) neighborhoods, when evaluating applications under the BMA. 12 USC 2903(a)(2). The OCC considered the CRA performance evaluation (PE) of each bank involved in this transaction. A review of these records, information provided by public commenters, information provided by Sterling in response to public comments related to the proposed transaction, and information provided by Sterling in response to additional information requests from the OCC and the FRB, indicates that the banks' records of helping to meet the needs of their communities are consistent with approval of this application.

A. Sterling National Bank

Sterling's most recent CRA PE is dated January 18, 2017. The bank was assigned an overall "Satisfactory" rating.² The major factors supporting the overall "Satisfactory" rating include: (i) a good level of overall lending, with significantly poorer performance in the State of New York rating area;³ (ii) a good distribution of loans by income level of the geography; (iii) an adequate distribution of loans by the income level of the borrower; (iv) a relatively high level of community development loans that exhibited good responsiveness to community needs; (v) a significant level of qualified investments that demonstrate good responsiveness to community needs; (vi) retail banking services that were reasonably accessible to the bank's assessment areas (AA); and (vii) a relatively high level of community development services.

B. Astoria Bank

Astoria's most recent CRA PE is dated December 3, 2012. The bank was assigned an overall "Satisfactory" rating.⁴ The major factors that supported the overall "Satisfactory" rating include: (i) a substantial majority of Astoria's loans were originated within its AAs; (ii) a good level of lending activity; (iii) an overall adequate geographic distribution of loans, based upon overall poor distribution of home mortgage lending and excellent distribution of small loans to businesses; (iv) an adequate

² Sterling was evaluated as a large bank as reflected. The OCC considered the bank's performance related to the Home Mortgage Disclosure Act (HMDA) reportable loans and small loans to businesses for the period of January 1, 2014, through December 31, 2016, and community development loans, qualified investments, and community development services for the period of January 21, 2014, through January 21, 2017. The CRA PE is available at <https://www.occ.gov/static/cra/craeval/jul17/25075.pdf>.

³ Sterling was rated "Needs to Improve" in the State of New York rating area, which includes Sterling's assessment area (AA) in that state which is outside the New York Multistate Metropolitan Statistical Area (MMSA). The State of New York rating area included one branch in Sullivan County, which represents 0.45 percent of the total deposits in the county. Sterling's CRA PE indicated that it had a total of 40 branches, 38 of which are in the New York MMSA, one in the Kingston, New York MSA, and one in the bank's Sullivan County non-MSA AA.

⁴ Astoria was evaluated as a large bank as reflected in a PE dated December 3, 2012. The OCC considered the bank's performance related to HMDA reportable loans and small loans to businesses for the period that covered July 1, 2009, through December 31, 2011, and community development loans, qualified investments, and community development services for the period of July 1, 2009, through November 30, 2012. The CRA PE is available at: <https://www.occ.gov/static/cra/craeval/jul16/704115.pdf>.

overall borrower distribution of lending, based upon adequate home mortgage lending performance and excellent borrower distribution of loans to small businesses; (v) community development lending that had a significantly positive impact on the bank's performance under the lending test; (vi) an adequate level of qualified investments when considering the bank's responsiveness to community needs through its strong lending performance; (vii) service delivery systems that were reasonably accessible to essentially all portions of Astoria's AAs; and (viii) a good provision of community development services.

IV. Public Comments And Analysis

Three commenters submitted public comments concerning the proposed transaction. The public comments criticized several aspects of the banks' records of helping to meet the credit needs of their communities.⁵ In addition, the commenters praised certain aspects of the banks' CRA-related activities. Below is a general summary of the comments submitted with regard to the proposed transaction.⁶

A. Public Comments Summary

One aspect of the bank's activities discussed by commenters was the banks' small business lending. Specifically, commenters acknowledged the positive aspects of Astoria's small business lending performance, particularly with regard to businesses with less than \$1 million in revenues. Commenters requested that the credit needs of small businesses with less than \$1 million in revenues, particularly women and minority owned businesses and those in LMI geographies, continue to be met following consummation of the proposed transaction.

One commenter discussed the multifamily lending activities of both banks, with an emphasis on Astoria's activities. The commenter noted that Astoria's multifamily lending was strong, but has been declining. The commenter requested that Sterling devote attention to ensuring that multifamily loans are underwritten responsibly and are provided in a manner that is beneficial to LMI individuals.

Commenters noted positive aspects of Sterling's and Astoria's community development activities, while also expressing concerns. For example, one commenter raised a concern related to banks' fluctuating percentage of community development lending in the past, and emphasized its view that Sterling should make community development investments in nonprofits. The same commenter acknowledged that, as a commercial lender, Sterling makes business related loans and investments that meet CRA criteria. The commenter also stated that the impact of these community development loans and investments on communities should be measured (i.e., whether a business loan or investment in an LMI geography is generating jobs, quantifying those jobs, and assessing the quality of those jobs). A commenter also requested that Sterling maintain the banks' grant relationships and set targets for community development activities using a percentage of local deposits.

With regard to consumer deposit and lending products, one commenter noted favorably that both banks offer low-fee checking accounts. However, the commenter also expressed concerns regarding certain fees associated with Astoria's checking account products. The same commenter asserted that if

⁵ These concerns raised by the commenters were based on 2015 home mortgage, small business, and multifamily lending data.

⁶ One commenter stated that Sterling's 2014-2016 CRA data had been deemed unreliable. However, the OCC determined that Sterling's HMDA data was reliable. Sterling CRA PE, at 8 (2017). Although the OCC initially found errors in the data relating to small business lending, management subsequently corrected these errors. The corrected CRA data was used in the 2017 CRA PE.

affordable products, such as low-cost bank accounts, small dollar loans, home improvement loans, and auto loans, are not available to customers in LMI neighborhoods, these products may be replaced by products that include predatory terms. The commenter requested that the resulting combined institution make safe and affordable products available to unbanked and underbanked consumers.

Commenters noted that there were large minority populations in parts of the banks' communities. These commenters discussed the need for access by such individuals to banking services. The commenters requested that the combined institution engage in efforts to provide language assistance to non-English speaking individuals. Further, with regard to immigrants, a commenter stated that although Sterling accepts New York's municipal identification, IDNYC, as a secondary form of identification, it does not accept it as a primary form, which the commenter asserted may limit immigrants' access to banking services.

The commenters expressed concerns related to Sterling's and Astoria's home mortgage lending performance. These concerns were based on the banks' 2015 HMDA data and related to the banks' level of lending to African Americans, Latinos/Hispanics, and LMI individuals. In addition, commenters also expressed concerns about the banks' denial rates to minority individuals. A commenter also noted that Sterling had exited the residential mortgage business, other than certain products that benefit LMI individuals, and encouraged the combined institution to resume broader participation in residential mortgage lending.⁷

Due to the above concerns, some commenters also asserted that the proposed transaction should be conditioned upon amending the CRA Plan that was part of Sterling's 2015 merger with Hudson Valley Bank. The commenters identified specific community needs that they requested be addressed through a CRA Plan, including home mortgage lending, small business lending, community development activities, and branching.

B. Public Comments Analysis

The OCC has carefully considered the commenters' concerns as they relate to the statutory and regulatory factors considered by the OCC when reviewing an application under the BMA. The commenters' concerns are analyzed and addressed below.

i. Convenience and Needs

In addition to reviewing the banks' past records of performance, as documented in their respective CRA PEs, the OCC considers "the probable effects of the business combination on the convenience and needs of the community served." The OCC's convenience and needs analysis considers any planned branch closures or reductions in services following the proposed transaction, and the likely impact on the community. The OCC also considers additional relevant factors, including the resulting national bank's ability and plans to provide expanded or less costly services to the community. 12 CFR 5.33(e)(1)(ii)(C).

In its Application, Sterling represented that the proposed transaction would help to meet the convenience and needs of the community by creating a broader branch and automated teller machine (ATM) network

⁷ A commenter also raised general concerns regarding consumers' ability to obtain modifications and avoid foreclosure, and specific concerns regarding Astoria's mortgage servicing practices with regard to two customers. In response to the specific concerns, Sterling stated that the comment letter does not provide sufficient information for Sterling Bank or Astoria Bank to identify the customers or address the concerns raised.

in the New York metropolitan area. Sterling further represented that the proposed transaction would bring expanded product capabilities to each bank's clients.

Commenters requested that the combined institution continue to meet the small business credit needs of the community. Sterling's CRA PE states that Sterling met or exceeded its CRA Plan goals for small business lending in the New York Multistate Metropolitan Statistical Area (MMSA), its primary market. Sterling represented that it plans to build on this performance through its status as a Small Business Association Preferred Lender and by leveraging Astoria's successful small business lending approach. Sterling further represented that it does not plan to discontinue any small business lending products or community partnerships available through either institution following consummation of the proposed transaction.

With respect to the comment regarding multifamily lending, Sterling represented that it intends to remain an active multifamily lender following consummation of the proposed transaction. Further, Sterling represented that given the market overlap between Sterling's and Astoria's footprints, it anticipates that there will be significant opportunities to provide prudently underwritten multifamily loans. Moreover, Sterling represented that it already employs many of the multifamily-lending best practices the commenter recommended.

Commenters raised concerns about Sterling's community development activities—specifically that Sterling's community development lending levels have fluctuated over time and the impact of its community development investments should be measured more granularly. Sterling's CRA PE establishes that the bank has a significant level of qualified investments and a relatively high level of community development lending, both of which demonstrated good responsiveness to community needs within its AAs. Moreover, Sterling represented that it plans to explore new opportunities to further expand its community development programs across Astoria's market areas. Sterling stated that Astoria has a number of productive partnerships with community development organizations that it plans to continue to support.⁸ Sterling represented that it projects that its combined level of community development investments following consummation of the proposed transaction will be nearly 5 percent of total capital. Sterling further represented that it will continue the relatively high level of community development services reflected in its CRA PE. In addition, Sterling stated that it has no plans to discontinue any of the products or programs, nor the existing relationships with community partners, of either institution that help to meet the needs of LMI individuals and geographies in the banks' AAs following consummation of the proposed transaction.

Commenters expressed concerns with how the banks are meeting the needs of minority, immigrant, LMI, and unbanked or underbanked individuals and neighborhoods. In response, Sterling represented that both banks offer basic checking accounts that provide consumers with the choice of a checking account with a low minimum balance or no fees with limited transactions. Sterling stated that it plans to

⁸ Sterling provided the following examples of Astoria partnerships that it plans to continue to fund or support following consummation of the proposed transaction, including: (i) New York Mortgage Coalition – a not-for-profit coalition providing access to homeownership education and mortgage loans to low- and moderate-income residents in New York City and the surrounding areas of Westchester, Nassau, and Suffolk; (ii) Habitat for Humanity of Suffolk County – a not-for-profit that provides affordable homeownership for very low-income families; (iii) Neighborhood Housing Services of Northern Queens – an organization providing a full range of homeowner, tenant, and landlord services which target the unbanked and underbanked, including first-time homebuyer counseling and basic financial education; and (iv) Long Island Housing Partnerships – an organization that provides housing opportunities for those who, under normal market conditions, cannot afford safe and decent homes.

assess the banks' product offerings to determine whether there are duplicative products that will be eliminated, but that it anticipates that both business and consumer clients will have more product choices as a result of the proposed transaction.

In responding to the commenters' concerns regarding the needs of non-English speaking individuals, Sterling stated that it is keenly aware of the challenges facing this population, such as affordable credit options and access to credit for those who have limited English proficiency. Sterling further represented that it believes that its CRA program is working to address the needs of this community through efforts that include outreach, meetings and consultation with local, regional, and national community development organizations. Moreover, Sterling stated that it welcomes the opportunity to continue working with local consumer advocates and community organizations.⁹

One commenter expressed concerns regarding the number of branches Sterling has closed in recent years. Sterling stated that very few of its recent branch closures were in LMI geographies, and, for those that were, Sterling represented that it took considerable care to ensure that the community could be served by the branch into which accounts were being consolidated. Sterling received a "High Satisfactory" rating on the service test, which took into account branch closures. Unrelated to the proposed transaction, Sterling identified two branches that it plans to close and one that it plans to relocate meeting short-distance relocation requirements. Based on the information provided, these branch closures will not have a significant impact of the provision of banking services to the combined institution's communities. Moreover, Sterling represented that, following consummation of the proposed transaction, it is committed to maintaining and growing Astoria's core deposit franchise, which depends heavily on a strong branch network. Sterling provided information regarding the factors that it considers when contemplating branch closures.¹⁰ Sterling represented that it will take these factors into account when determining whether further branch closures, relocations, or consolidations are necessary following consummation of the proposed transaction. The effect of future branch closures will be assessed during the combined institution's next CRA performance evaluation.

Commenters requested that the OCC condition approval of this transaction upon Sterling's development of an updated CRA plan that establishes measurable goals addressing the commenters' areas of concern.

⁹ Sterling represented that it participates in a variety of community outreach and marketing efforts that target LMI and minority areas and individuals. These efforts come in the form of community partnerships with a number of different housing agencies throughout the five boroughs of New York City and in Rockland and Westchester, which are located in minority areas. The majority of clients referred through these agencies are African-American and Hispanic individuals. Sterling represented that bank staff also help to facilitate and support homebuyer education workshops, credit workshops and financial management that are conducted by different organizations in which it partners, such as the Neighborhood Housing Service offices throughout New York. Sterling represents that in the last 12 months, its Community Development team participated in over 30 first-time homebuyer seminars in conjunction with community partners targeting LMI borrowers and communities, many of which are also significant minority areas.

¹⁰ Sterling listed six factors it considers: (i) An evaluation of the locations of all its offices in an AA and their proximity to each other, (ii) The performance of its offices, including transactional balances, expenses and profitability in aggregate and in trends over time; (iii) The ability to provide continuing services without significantly sacrificing customer convenience; (iv) Financial services available from other banking providers in the market; (v) Changes in the requirements of the regulatory environment; and (vi) Transactions involving a merger or an acquisition where Sterling Bank already has the services of a proximate branch location available. Additionally, Sterling Bank is subject to the requirements contained in section 42 of the Federal Deposit Insurance Act (12 USC 1831r-1) to submit advance notice of any proposed branch closing to the OCC as its federal regulator. See Office of the Comptroller of the Currency, *Comptroller's Licensing Manual: Branch Closing* (June 2017).

Pursuant to a written condition that the OCC imposed in its 2015 approval of Sterling's merger with Hudson Valley Bank, Sterling adopted a CRA plan for 2016-2018. Sterling represented that it plans to extend its CRA Plan through 2023. Moreover, Sterling outlined its CRA plan goals for the extended CRA Plan, which it projects will exceed \$3 billion in affordable housing assistance, multifamily lending, small business lending, community development investments, community service volunteer hours, and funding of the Sterling National Bank Charitable Foundation.¹¹

ii. Home Mortgage Lending

The commenters, relying on 2015 HMDA data, expressed concerns with the banks' level of home mortgage lending and denial rates to African American, Hispanic, and LMI borrowers in the banks' AAs. It should be noted that HMDA data alone is not adequate to provide a basis for concluding that a bank is engaged in lending discrimination, or to indicate whether its level of lending is sufficient. Specifically, HMDA data does not take into consideration borrower creditworthiness, housing prices, collateral values, credit scores, and other factors relevant to each credit decision, nor do they fully reflect the range of a bank's lending activities and efforts. Further, the OCC assesses fair lending risk for the institutions it supervises and will continue to do so with respect to the combined institution following consummation of the proposed transaction.

Sterling represented that it sold its residential mortgage business to Freedom Mortgage in 2016. As a result, Sterling ceased offering home mortgage lending products other than certain products that benefit LMI individuals and communities. Sterling further represented that it intends to discontinue Astoria's residential mortgage business. Home mortgage products that will continue to be offered by Sterling after consummation of the proposed transaction include: (i) Sterling Start Affordable Mortgage,¹² (ii) SONYMA Mortgage; (iii) Federal Home Loan Bank of New York 1st Home Club; and (iv) Federal Home Loan Bank Affordable Housing Program.

In responding to the commenters' concerns regarding the banks' home mortgage lending, Sterling described its fair lending program, which it represented is an integral part of the bank's overall compliance risk management program. Sterling explained that under its fair lending program, the bank's Compliance Risk Management Department assesses fair lending compliance at regular intervals and is responsible for overseeing any resulting remediation activity. Sterling represented that the Compliance Risk Management Department also conducts annual fair lending risk assessments. These assessments identify and measure the risk inherent in lending processes and determine what control and monitoring mechanisms are in place to protect against illegal discrimination, as well as what adjustments may be necessary to address risks. Sterling further represented that it has implemented a second review process for denied applications or counter-offers in order to minimize any fair lending risk. In order to ensure that bank employees understand their responsibilities with regard to fair lending, Sterling represented that all employees who are involved in mortgage lending are required to undergo compliance training.

Sterling also represented that it is very active in a number of outreach and marketing programs that focus on LMI geographies and minority communities. As an example, Sterling stated that it participated

¹¹ The Sterling National Bank Charitable Foundation has a primary focus on supporting educational programs, including programs that enhance knowledge in areas such as economics, financial literacy, and business. <https://www.snb.com/sterling-national-bank-charitable-foundation>.

¹² Sterling's Start Affordable Mortgage offers eligible first-time homebuyers discounted rates and a non-recourse grant for closing or settlement assistance costs.

in over 30 first-time homebuyer seminars in conjunction with community partners that targeted LMI borrowers. Sterling represented that many of these seminars were conducted in geographies with significant minority populations. Sterling further represented that it endeavors to reach LMI and minority market segments through advertisements in newspapers that serve these communities. Sterling asserted that it intends to continue and expand its outreach efforts following consummation of the proposed transaction.

C. Request for Extension of the Comment Period

The commenters requested that the OCC extend the comment period and deny the Application. The standard that the OCC applies to determine whether to extend a public comment period is set forth in 12 CFR 5.10(b)(2), which provides:

The OCC may extend the comment period if: (i) The applicant fails to file all required publicly available information on a timely basis to permit review by interested persons or makes a request for confidential treatment not granted by the OCC that delays the public availability of that information; (ii) Any person requesting an extension of time satisfactorily demonstrates to the OCC that additional time is necessary to develop factual information that the OCC determines is necessary to consider the application; or (iii) The OCC determines that other extenuating circumstances exist.

After careful consideration, the OCC determined not extend the public comment period. None of the reasons set forth in 12 CFR 5.10(b)(2) as justification to for extending the comment period were evident in connection with this Application.

D. Request for Public Hearing

The commenters requested that the OCC hold a public hearing on the Application. The standard that the OCC applies to determine whether to grant or deny a hearing request is set forth in 12 CFR 5.11(b), which provides:

The OCC generally grants a hearing request only if the OCC determines that written submissions would be insufficient or that a hearing would otherwise benefit the decision-making process. The OCC also may order a hearing if it concludes that a hearing would be in the public interest.

After careful consideration, the OCC has determined not to hold a public hearing. The OCC has thoroughly reviewed the public comments that were submitted and is not aware of any reason why the written comments are insufficient or why a public hearing would be in the public interest.

V. Summary

Accordingly, we conclude that Sterling's and Astoria's records of helping to meet the credit needs of their communities and the probable effects of the proposed transaction on the convenience and needs of those communities are consistent with approval of the Application. The OCC's conclusion is based upon our review of the respective records of the institutions involved in the proposed merger, the Application, the public comments and information provided by Sterling in response to the public comments, information provided in response to additional information requested by the OCC and the FRB, and supervisory materials and other information available to the OCC as a result of its regulatory responsibilities. The combined institution will be subject to the OCC's ongoing supervision and issues

raised during the course of the OCC's review of the Application will be considered and addressed through the supervisory process as appropriate in accordance with applicable statutes and regulations.¹³

VI. Consummation Requirements

The OCC Northeastern District Licensing Office must be advised in writing at least 10 days in advance of the desired effective date for the transaction, so it may issue the necessary certification letter. The effective date must also occur after any other required regulatory approval. If the transaction is not consummated within six months from the date of this letter, the approval shall automatically terminate unless an extension has been granted.

We will not issue a letter certifying consummation of the transaction until after we have received: (1) An original secretary's certificate for each bank certifying that the shareholders have approved the proposed transaction; (2) An original secretary's certificate for each bank certifying that a majority of the board of directors have agreed to the proposed transaction; and (3) Documentation that any other required regulatory approval have been obtained.

This decision and the activities and communications by the OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations. Our decision is based on the representations made in the Application, other submissions, and other information available to the OCC as of this date. The OCC may modify, suspend, or rescind the decision if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

A separate letter is enclosed requesting the bank's feedback on how the OCC handled the Application. If you have any questions, please contact Sandya Reddy, Senior Licensing Analyst, Northeastern District Office, at (212) 790-4055 or by email at sandya.reddy@occ.treas.gov. Please include reference to the OCC control number in all correspondence related to this filing.

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing

Enclosure: Survey Letter

¹³ Section 1025 of the Dodd-Frank Wall Street Reform and Consumer Protection Act assigns to the Consumer Financial Protection Bureau (CFPB) examination authority, and primary enforcement authority, to ensure compliance by banks and federal savings associations with Federal consumer financial laws, including the Equal Credit Opportunity Act, for institutions with more than \$10 billion in assets.