

### *The Federal Reserve System eases the application submission process*

Most bankers are familiar with the role of bank examiners in fostering a safe and sound banking system. Less well known is the world of regulatory applications in which banking organizations must notify or seek their regulator's approval to engage in new activities, expand through mergers and acquisitions, or establish new branches. These application requirements have arisen from a long history of banking legislation and encompass a variety of stakeholders.

The Federal Reserve is required to consider certain factors when assessing applications, including the financial condition of the applicant and the company to be acquired, the effectiveness of management, the organization's history of compliance with consumer laws, and any potential anti-competitive effects. Applications often include complex legal documents, which often must be shared with other regulators, and may be provided to the public upon request. As a result, applicants are often astounded at the number of copies and amount of paper they must provide when submitting applications.

The Federal Reserve has taken a major step forward in developing an internet-based system for electronically submitting application documents in a secure environment. Starting in 2009, banking organizations or authorized representatives, such as law firms or consulting firms, can sign up to use **E-Apps**. The electronic submission of applications can provide numerous benefits, including a reduction in copying and shipping expenses, as well as a faster and more efficient way of submitting important documents to the Federal Reserve System.

Most applications currently filed by paper submission can be filed electronically including those for bank holding company mergers and acquisitions, nonbanking activities, state member bank mergers, acquisitions and branch expansions, as well as international banking applications.

Each Reserve Bank has a local expert to assist in the use of **E-Apps**. The Federal Reserve Bank of New York's expert is Robin Whidbee who can be reached at 212-720-5786.