

Proposal: 1509 (AE30) Reg Q, Y&LL; Small BHC Policy Statement; Capital Adequacy Board -Regulated Institutions;

Description: The Board is proposing to raise the asset size threshold for determining applicability of the Board's Small Bank Holding Company Policy Statement (Regulation Y, Appendix C)(Policy Statement) to \$1 billion from \$500 million and to expand the scope of the Policy Statement to include savings and loan holding companies that also met the Policy Statement's requirements. The Board is also proposing to make related and conforming revisions to Regulation Y and Regulation LL.(Final Rule, 4/15/2015)

Comment ID: 129881

From: Farmers and Merchants Bank, Randy Johnson

Proposal:

Subject: Small BHC Policy Statement; Capital Adequacy Board-Regulated Institutions; Bank Holding Companies; S

Comments:

Date:Feb 03, 2015

Proposal:Small Bank Holding Company Policy Statement; Capital Adequacy of Board-Regulated Institutions; Bank Holding Companies; Savings and Loan Holding Companies; Changes to Reporting Requirements. [R-1509]

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Revision:1

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Your comment:We are a bank holding company with assets just over \$500M and if the asset size were raised from \$500M to 1 billion it would impact us in the following way:

• F• would have the ability to borrow (if need be) for any additional mergers or acquisitions

• A potential cost savings relating to the audit requirement

• Continuation of a “normal” examination cycle of 18 months (this would be expedited to a 12 month rotation for F&M if the asset size threshold for Small Bank Holding Companies remain at less than \$500 mil)

• Avoidance of additional internal reporting to the Fed at the holding company level As outlined this would be a very positive impact on our Bank in from both a cost of doing business and for future expansion.

Thank you.