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Joint Release

**Board of Governors of the Federal Reserve System  
Federal Deposit Insurance Corporation  
Office of the Comptroller of the Currency**

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For immediate release

October 2, 2019

**Agencies Issue Final Rule to Update Management Interlock Rules**

The federal bank regulatory agencies today finalized updates to rules restricting the ability of a director or other management official to serve at more than one depository institution or depository holding company. The updates provide relief for community banks that have \$10 billion or less in total assets and are unchanged from the [proposal announced in December 2018](#).

Previously, the management interlock rules prohibited a management official working at a depository institution or holding company with more than \$2.5 billion in total assets from simultaneously working at an unaffiliated depository organization with more than \$1.5 billion in total assets. The previous thresholds were established by Congress in 1996. To account for changes in the market, the final rule increases both thresholds to \$10 billion in total assets, as the agencies proposed previously.

Management officials will generally remain prohibited from serving with multiple depository organizations that are above the new thresholds, limiting the potential risk of anticompetitive conduct at larger institutions.

The final rule responds to comments received during the recent review required by the Economic Growth and Regulatory Paperwork Reduction Act of 1996. It was jointly issued by the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency and will take effect upon publication in the *Federal Register*.

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Attachment:

[Final Rule to Increase the Major Assets Threshold Under the Depository Institutions Management Interlocks Act](#)

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