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DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Proposed Agency Information Collection Activities; Submission for OMB Review;

Interest-Rate-Risk Vendor Questionnaire

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden and to fulfill the requirements of the Paperwork Reduction Act of 1995 (PRA), invites the general public and other Federal agencies to take this opportunity to comment on a new information collection.

In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number.

Currently, the OCC is soliciting comment concerning its proposed information collection entitled, "Interest Rate Risk Vendor Questionnaire." It also is giving notice that it has sent the collection to OMB for review.

DATES: Comments must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Because paper mail in the Washington, DC area and at the OCC is subject to delay, commenters are encouraged to submit comments by e-mail, if possible.

Comments may be sent to: Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, Attention: 1557-NEW, 400 7th Street, SW., Suite 3E-218, Mail Stop 9W-11, Washington, DC 20219. In addition, comments may be sent by fax to (571) 465-4326 or by e-mail to regs.comments@occ.treas.gov. You may personally inspect and photocopy comments at the OCC, 400 7th Street, SW., Washington, DC 20219. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect and photocopy comments.

All comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Additionally, please send a copy of your comments by mail to: OCC Desk Officer, 1557-NEW, U.S. Office of Management and Budget, 725 17th Street, NW., #10235, Washington, DC 20503, or by email to: oir_submission@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: Mary Gottlieb, (202) 649-5490, for persons who are deaf or hard of hearing, TTY, (202) 649-5597, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 400 7th Street, SW., Washington, DC 20219.

SUPPLEMENTARY INFORMATION: The OCC is proposing to adopt the following new information collection:

Title: Interest Rate Risk Vendor Questionnaire.

Frequency of Response: Annually.

Affected Public: Business or other for-profit.

Respondents: Asset-Liability Management Software Vendors (model developers and consultants).

Total Estimated Number of Respondents: 73 (33 model developers; 40 consultants).

Estimated Time per Response: 8 hours for model developers; 4 hours for consultants.

Total Estimated Total Annual Burden: 424 hours.

Type of Review: Regular.

Abstract

In June 2014, the Federal Financial Institutions Examination Council (FFIEC)¹ Task Force on Supervision (TFOS) established a working group to discuss supervisory processes and strategies for monitoring and addressing interest rate risk at insured depository institutions. One of the group's key priorities is to complete a questionnaire of asset-liability management software vendor model developers and consultants. The questionnaire is designed to inform examiners of the mechanics and underlying assumptions of specific interest rate risk models with the goal of helping examiners gain a better understanding of financial institutions' rate sensitivity modeling. The questionnaire captures information ranging from basic aspects of each vendor or

¹ The FFIEC is a formal interagency body that prescribes uniform principles, standards, and report forms for the examination of financial institutions by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the OCC, the Consumer Financial Protection Bureau, and makes recommendations to promote uniformity in the supervision of financial institutions. In 2006, the State Liaison Committee (SLC) was added to the Council as a voting member. The SLC includes representatives from the Conference of State Bank Supervisors, the American Council of State Savings Supervisors, and the National Association of State Credit Union Supervisors.

consultant's interest rate risk model, for instance, its client base to more complex components, including modeling capability. The complex modeling components will provide a baseline level of regulatory knowledge about each vendor or consultant's ability to measure interest rate risk under a variety of approaches, capture data, and measure the risk, including optionality. The questionnaire would cover approximately 73 vendors comprised of 33 model developers and 40 consultants. The questionnaire should take approximately 8 hours for each model developer to complete and 4 hours for each consultant to complete less detailed responses to model-related questions.

The OCC will serve as the sponsoring or central collection agency for this information collection. The information will be collected by the OCC and made available to the FFIEC's TFOS in order to support its discussions concerning supervisory processes and strategies for monitoring and addressing interest rate risk at insured depository institutions.

Request for Comment

The OCC published a notice for 60 days of comment on February 3, 2015 (80 FR 5884). One comment was received from a model vendor. The comment was generally favorable but raised an issue about awareness of vendor software upgrades; model vendors update software periodically. Vendors may have clients using different versions of a model as clients are not typically required to move to the most recent version. The questionnaire addresses this concern by accommodating several versions of each vendor's software.

Comments continue to be invited on:

- (a) Whether the proposed revisions to the collections of information that are the subject of this notice are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;
- (b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this joint notice will be shared among the agencies. All comments will become a matter of public record.

Dated: April 9, 2015.

Mary H. Gottlieb,
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Legislative and Regulatory Activities Division.

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