



## **DEPARTMENT OF THE TREASURY**

### **Office of the Comptroller of the Currency**

### **FEDERAL RESERVE SYSTEM**

### **FEDERAL DEPOSIT INSURANCE CORPORATION**

#### **Proposed Agency Information Collection Activities; Comment Request**

**AGENCY:** Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Joint notice and request for comment.

**SUMMARY:** In accordance with the requirements of the Paperwork Reduction Act (PRA) of 1995, the OCC, the Board, and the FDIC (the agencies) 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. The agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), have approved the publication of proposed revisions to the Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework (FFIEC 101) for public comment. The FFIEC 101 is completed only by banking organizations subject to the advanced approaches risk-based capital rule. Generally, this rule applies to banking organizations with \$250 billion or more in total consolidated assets or \$10 billion or more in on-balance sheet foreign exposures (advanced approaches banking organizations).

The proposed revisions would remove two credit valuation adjustment (CVA) items from the exposure at default (EAD) column on FFIEC 101 Schedule B, Summary Risk-Weighted Asset Information for Banks Approved to Use Advanced Internal Ratings-Based and Advanced Measurement Approaches for Regulatory Capital Purposes (items 31.a and 31.b, column D).

Advanced approaches banking organizations would discontinue reporting the EAD CVA data items on FFIEC 101 Schedule B effective with the June 30, 2017, reporting date.

At the end of the comment period, the comments will be analyzed to determine the extent to which the FFIEC and the agencies should modify the proposed revisions. The agencies will then submit the proposed revisions to OMB for review and final approval.

**DATES:** Comments must be submitted on or before [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number(s), will be shared among the agencies.

OCC: Because paper mail in the Washington, DC, area and at the OCC is subject to delay, commenters are encouraged to submit comments by email, if possible to [prainfo@occ.treas.gov](mailto:prainfo@occ.treas.gov). Comments may be sent to: Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, Attention: 1557-0239 (FFIEC 101), 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. 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 or, for persons who are deaf or hard of hearing, TTY, (202) 649-5597. Upon arrival, visitors will be required to present valid government-issued photo identification and to 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 enclose any information in your

comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Board: You may submit comments, which should refer to “FFIEC 101,” by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at: <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Email: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include reporting form number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Robert DeV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

All public comments are available from the Board’s Web Site at [www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm](http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm) as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room MP-500 of the Board’s Martin Building (20th and C Streets, NW.) between 9:00 a.m. and 5:00 p.m. on weekdays.

FDIC: You may submit comments, which should refer to “FFIEC 101,” by any of the following methods:

- Agency Web Site: <https://www.fdic.gov/regulations/laws/federal/>. Follow the instructions for submitting comments on the FDIC Web site.

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Email: [comments@FDIC.gov](mailto:comments@FDIC.gov). Include “FFIEC 101” in the subject line of the message.
- Mail: Manuel E. Cabeza, Counsel, Room MB-3007, Attn: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

Public Inspection: All comments received will be posted without change to <https://www.fdic.gov/regulations/laws/federal/> including any personal information provided.

Comments may be inspected at the FDIC Public Information Center, Room E-1002, 3501 Fairfax Drive, Arlington, VA 22226, between 9:00 a.m. and 5:00 p.m. on business days.

Additionally, commenters may send a copy of their comments to the OMB desk officer for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW., Washington, DC 20503; by fax to (202) 395-6974; or by email to [oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov).

**FOR FURTHER INFORMATION CONTACT:** For further information about the proposed revisions to regulatory reporting requirements discussed in this notice, please contact any of the agency clearance officers whose names appear below. In addition, copies of the proposed revised FFIEC 101 form and instructions can be obtained at the FFIEC’s Web Site ([http://www.ffiec.gov/ffiec\\_report\\_forms.htm](http://www.ffiec.gov/ffiec_report_forms.htm)).

OCC: Shaquita Merritt, OCC Clearance Officer, (202) 649-5490 or, 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.

Board: Nuha Elmaghrabi, Federal Reserve Board Clearance Officer, (202) 452-3829, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

FDIC: Manuel E. Cabeza, Counsel, (202) 898-3767, Federal Deposit Insurance Corporation, 550 17th Street, NW., Room MB-3007, Washington, DC 20429.

**SUPPLEMENTARY INFORMATION:** The agencies are proposing to extend for three years, with revision, the FFIEC 101, which is currently an approved collection of information for each agency.

*Report Title:* Risk-Based Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework.

*Form Number:* FFIEC 101.

*Frequency of Response:* Quarterly.

*Affected Public:* Business or other for-profit.

**OCC:**

*OMB Control No.:* 1557-0239.

*Estimated Number of Respondents:* 20 national banks and federal savings associations.

*Estimated Time per Response:* 674 burden hours per quarter to file.

*Estimated Total Annual Burden:* 53,920 burden hours to file.

**Board:**

*OMB Control No.:* 7100-0319.

*Estimated Number of Respondents:* 6 state member banks;  
16 bank holding companies and savings and loan  
holding companies; and  
6 intermediate holding companies.

*Estimated Time per Response:* 674 burden hours per quarter for state member banks to  
file,  
677 burden hours per quarter for bank holding companies  
and savings and loan holding companies to file; and  
3 burden hours per quarter for intermediate holding  
companies to file.

*Estimated Total Annual Burden:* 16,176 burden hours for state member banks to file;  
43,328 burden hours for bank holding companies and  
savings and loan holding companies to file; and  
72 burden hours for intermediate holding companies to  
file.

**FDIC:**

*OMB Control No.:* 3064-0159.

*Estimated Number of Respondents:* 2 insured state nonmember banks and state  
savings associations.

*Estimated Time per Response:* 674 burden hours per quarter to file.

*Estimated Total Annual Burden:* 5,392 burden hours to file.

**General Description of Reports**

Each advanced approaches banking organization is required to file quarterly regulatory capital data on the FFIEC 101. The FFIEC 101 information collection is mandatory for advanced approaches banking organizations: 12 U.S.C. 161 (national banks), 12 U.S.C. 324 (state member banks), 12 U.S.C. 1844(c) (bank holding companies), 12 U.S.C. 1467a(b) (savings and loan holding companies), 12 U.S.C. 1817 (insured state nonmember commercial and savings

banks), 12 U.S.C. 1464 (savings associations), and 12 U.S.C. 1844(c), 3106, and 3108 (intermediate holding companies).

The agencies use these data to assess and monitor the levels and components of each reporting entity's capital requirements and the adequacy of the entity's capital under the Advanced Capital Adequacy Framework; to evaluate the impact of the Advanced Capital Adequacy Framework on individual reporting entities and on an industry-wide basis and its competitive implications; and to supplement on-site examination processes. The reporting schedules also assist advanced approaches banking organizations in understanding expectations relating to the system development necessary for implementation and validation of the Advanced Capital Adequacy Framework. Submitted data that are released publicly will also provide other interested parties with information about advanced approaches banking organizations' regulatory capital.

### **Current Actions**

The agencies are inviting comment on a proposal to remove two items from FFIEC 101 Schedule B. No other revisions to the FFIEC 101 report are being proposed.

The two items proposed for removal collect EAD information related to CVAs that already is captured in a separate item on FFIEC 101 Schedule B. Specifically, the agencies are proposing to remove column D (EAD) for items 31.a, "Credit valuation adjustments – simple approach," and 31.b, "Credit value adjustments – advanced approach." These line items were added to the FFIEC 101 report in March of 2014, and were intended to provide data pertaining to

the CVA requirements under the agencies' regulatory capital rules<sup>1</sup> for over-the-counter (OTC) derivative activities.

Under these rules, CVA is the fair value adjustment to reflect counterparty credit risk in the valuation of an OTC derivative contract that has a positive fair value. The advanced approaches risk-based capital rules provide two approaches for calculating the CVA capital requirement: the simple and advanced CVA approaches. The conditions for each approach, as well as the methods for calculation, are described in section 132 of the regulatory capital rules. Currently, EAD information pertaining to CVAs that is reported in FFIEC 101 Schedule B remains confidential, even after an institution completes its parallel run period.

The agencies have determined that the EAD information reported in column D of items 31.a and 31.b on FFIEC 101 Schedule B is already captured in column D of item 10 (OTC derivatives – no cross-product netting – EAD adjustment method) on FFIEC 101 Schedule B. Continuing to collect the same EAD information in both places is not only redundant, but also may be misinterpreted by the users of FFIEC 101 data as additional default risk held by the reporting entity. For these reasons, the agencies propose removing column D for items 31.a and 31.b on FFIEC 101 Schedule B.

The agencies would continue to collect the amount of risk-weighted assets for CVAs in column G of items 31.a and 31.b on FFIEC 101 Schedule B.

### **Request for Comment**

Public comment is requested on all aspects of this joint notice. Comments are invited on

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<sup>1</sup> For national banks and federal savings associations, 12 CFR Part 3 (OCC); for state member banks and holding companies, 12 CFR Part 217 (Board); and for state nonmember banks and state savings associations, 12 CFR Part 324 (FDIC).

- (a) Whether 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 and will be summarized or included in the agencies' requests for OMB approval. All comments will become a matter of public record.

Dated: February 23, 2017

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**Karen Solomon,**  
*Deputy Chief Counsel,*  
*Office of the Comptroller of the Currency.*

Board of Governors of the Federal Reserve System, February 23, 2017.

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Robert deV. Frierson  
Secretary of the Board.

Dated at Washington, D.C., this 22<sup>nd</sup> day of February, 2017.

Federal Deposit Insurance Corporation

Robert E. Feldman  
Executive Secretary

**Billing Codes**

OCC: 4810-33-P 1/3

Board: 6210-01-P 1/3

FDIC: 6714-01-P 1/3

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