



## **FEDERAL RESERVE SYSTEM**

### **Agency Information Collection Activities; Announcement of Board approval under delegated authority and submission to OMB**

**AGENCY:** Board of Governors of the Federal Reserve System.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board or Federal Reserve) is adopting a proposal to extend for three years, with revision, the following mandatory reports:

- (1) the Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11; OMB No. 7100-0244),
- (2) the Abbreviated Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11S; OMB No. 7100-0244),
- (3) the Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314; OMB No. 7100-0073), and
- (4) the Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314S; OMB No. 7100-0073).

### **FOR FURTHER INFORMATION CONTACT:**

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

OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> Street, NW, Washington, DC 20503.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

**Final approval under OMB delegated authority of the extension for three years, with revision, of the following information collections:**

*1. Report title:* Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies and the Abbreviated Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies.

*Agency form number:* FR Y-11 and FR Y-11S.

*OMB control number:* 7100-0244.

*Frequency:* Quarterly and annually.

*Reporters:* Holding companies.

*Estimated number of respondents:* FR Y-11 (quarterly): 634; FR Y-11 (annual): 230; FR Y-11S: 299.

*Estimated average hours per response:* FR Y-11 (quarterly): 6.8; FR Y-11 (annual): 6.8; FR Y-11S: 1.

*Estimated annual reporting hours:* FR Y-11 (quarterly): 17,244; FR Y-11 (annual): 1,564; FR Y-11S: 299.

*General Description of Information Collection:* The FR Y-11 reporting forms collect financial information for individual, non-functionally regulated U.S. nonbank subsidiaries of domestic holding companies (i.e., bank holding companies, savings and loan holding companies, securities holding companies, and intermediate holding companies). Holding companies file the FR Y-11 on a quarterly or annual basis or the FR Y-11S on an annual basis, predominantly based on whether the organization meets certain asset size thresholds described in the instructions to the reports. The FR Y-11 data are used with other holding company data to assess the condition of holding companies that are heavily engaged in nonbanking activities and to monitor the volume, nature, and condition of their nonbanking operations.

*2. Report title:* Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations and the Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations.

*Agency form number:* FR 2314 and FR 2314S.

*OMB control number:* 7100-0073.

*Frequency:* Quarterly and annually.

*Reporters:* U.S. state member banks, holding companies, and Edge or agreement corporations.

*Estimated annual reporting hours:* FR 2314 (quarterly): 13,807; FR 2314 (annual): 1,690; FR 2314S: 322.

*Estimated average hours per response:* FR 2314 (quarterly): 6.6; FR 2314 (annual): 6.6; FR 2314S: 1.

*Number of respondents:* FR 2314 (quarterly): 523; FR 2314 (annual): 256; FR 2314S: 322.

*General Description of Report:* The FR 2314 reporting forms collect financial information for non-functionally regulated direct or indirect foreign subsidiaries of U.S. state member banks (SMBs), Edge and agreement corporations, and holding companies (i.e., bank holding

companies, savings and loan holding companies, securities holding companies, and intermediate holding companies). Parent organizations (SMBs, Edge and agreement corporations, or holding companies) file the FR 2314 on a quarterly or annual basis, or the FR 2314S on an annual basis, predominantly based on whether the organization meets certain asset size thresholds described in the instructions to the reports. The FR 2314 data are used to identify current and potential problems at the foreign subsidiaries of U.S. parent companies, to monitor the activities of U.S. banking organizations in specific countries, and to develop a better understanding of activities within the industry, in general, and of individual institutions, in particular.

*Current actions:* On July 18, 2017, the Board published a notice in the *Federal Register* (82 FR 43367) requesting public comment on the extension for three years with revision of the FR Y-11, FR Y-11S, FR 2314, and the FR 2314S. The Board proposed to revise the instructions for Schedule IS (and related line item captions on the reporting form) to remove the term “extraordinary items” and replace it with “discontinued operations,” in accordance with revised accounting standards issued by the Financial Accounting Standards Board in ASU No. 2015-01, “Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items.” In addition, the terms “Loans net of unearned income” and “Loans held for investment” are being used interchangeably throughout certain regulatory reports although both descriptions are intended to have the same reported amounts. Consistent with the Call Report, the Federal Reserve is revising the captions and instructions “Loans net of unearned income” and replace with “Loans held for investment” on all reports where applicable for clarity and internal consistency. The proposal was amended September 11, 2017, to extend the proposed implementation date from September 30, 2017, to March 31, 2018. The comment period expired

on September 18, 2017, and no comments were received. The revisions will be implemented as proposed.

*Legal authorization and confidentiality:* The Board has the authority to collect the information requested on the FR Y-11 series of reports and the FR 2314 series of reports from bank holding companies, savings and loan holding companies (SLHCs), securities holding companies, and intermediate holding companies (IHCs) under, respectively, section 5(c) of the Bank Holding Company Act (BHC Act), (12 U.S.C. 1844(c)) (BHCs and IHCs); the Homeowners' Loan Act, (12 U.S.C. 1467a(b)(2)) (SLHCs); section 165 of the Dodd-Frank Act, (12 U.S.C. 5365) (IHCs only); and section 618 of the Dodd-Frank Act, (12 U.S.C. 850a) (securities holding companies). Collection of information from non-functionally regulated direct or indirect foreign subsidiaries of U.S. state member banks, Edge and agreement corporations filing the FR 2314 series of reports is authorized under sections 9(6), 25(7) and 25A(17) of the Federal Reserve Act, (12 U.S.C. 324, 602, and 625), respectively. The Federal Reserve does not consider the data collected by the FR Y-11 series of reports or FR 2314 series of reports to be confidential. However, a respondent may request confidential treatment pursuant to sections (b)(4), (b)(6), and (b)(8) of the Freedom of Information Act (5 U.S.C. 552(b)(4), (b)(6), (b)(8)). The applicability of these exemptions would be determined on a case-by-case basis.

Board of Governors of the Federal Reserve System, January 18, 2018.

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**Margaret McCloskey Shanks,**

*Deputy Secretary of the Board.*

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