



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) is adopting a proposal to extend for three years, with revision, the Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted (FR 4006; OMB No. 7100-0129).

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.

Office of Management and Budget (OMB) Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

A copy of the PRA OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files. These documents also are available on the Federal Reserve Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB

control numbers to collection of information 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 PRA Submission, supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files.

Final Approval under OMB Delegated Authority of the Extension for Three Years, With Revision, of the Following Information Collection:

Report title: Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted (DPC).

Agency form number: FR 4006.

OMB control number: 7100-0129.

Frequency: Event-generated.

Respondents: Bank holding companies (BHCs).

Estimated number of respondents: Section 3(a) DPC: 21; Section 4(c)(2) DPC: 42.

Estimated average hours per response: Section 3(a) DPC: 5 hours; Section 4(c)(2) DPC: 5 hours.

Estimated annual burden hours: Section 3(a) DPC: 105 hours; Section 4 (c)(2) DPC: 210 hours.

General description of report: The Bank Holding Company Act (BHC Act) and the Board's Regulation Y require a BHC that acquired voting securities or assets through foreclosure or otherwise in the ordinary course of collecting a DPC to seek prior Board approval in order to retain ownership of those shares or assets for more than two years. There are no required formal reporting forms associated with this information collection

(the FR 4006 designation is for internal purposes only). Instead, a BHC is required to submit any extension request to the Reserve Bank that has direct supervisory responsibility for the requesting BHC. The Board uses the information provided in the request to fulfill its statutory obligation to supervise BHCs.

Legal authorization and confidentiality: The FR 4006 is authorized pursuant to sections 3(a) and 4(c)(2) of the BHC Act¹ and sections 225.12(b) and 225.22(d) of Regulation Y.² Under sections 3(a) and 4(c)(2) of the BHC Act and sections 225.12(b) and 225.22(d)(1) of the Board's Regulation Y, a BHC is not required to seek prior Board approval before acquiring securities or assets in the ordinary course of collecting a DPC in good faith, if such securities or assets (the "DPC property") are divested within two years of acquisition. In order to hold the DPC property beyond the two-year period, a BHC is required to seek the approval of the Board. The two-year period may be extended by the Board for up to three additional years, and holdings in certain types of DPC property may be extended for up to five additional years (for a total of 10 years). Pursuant to section 225.12(b) of Regulation Y, a BHC may request an extension of the section 3(a) holding period for voting securities of a bank or BHC acquired in the ordinary course of collecting a DPC in good faith. Pursuant to section 225.22(d)(1) of Regulation Y, a BHC may request an extension of the section 4(c)(2) holding period for voting securities or assets of a nonbanking company acquired in the ordinary course of collecting a DPC in good faith. The FR 4006 is required to obtain the benefit of being permitted to retain ownership, for more than two years, of voting securities or assets acquired in the ordinary course of collection of a DPC. Individual respondents may request that information

¹ 12 U.S.C. 1842(a) and 1843(c)(2).

² 12 C.F.R. 225.22(d).

submitted to the Board, pursuant to sections 225.12(b) and 225.22(d) of Regulation Y, be kept confidential on a case-by-case basis. Such requests generally contain information related to how the BHC acquired shares or assets and the plans of the BHC to divest the shares or assets. Under certain circumstances, this information may qualify under exemption 4 of the Freedom of Information Act, which protects privileged or confidential commercial or financial information (5 U.S.C. 552(b)(4)).

Current actions: On April 3, 2019, the Board published a notice in the Federal Register (84 FR 13044) requesting public comment for 60 days on the extension, with revision, of the Request for Extension of Time to Dispose of Assets Acquired in Satisfaction of Debts Previously Contracted (DPC). The Board will revise the FR 4006 to account for requests for an extension of the section 3(a) holding period for bank DPC property pursuant to section 225.12(b) of the Board's Regulation Y. The FR 4006 currently does not account for this collection of information. The comment period for this notice expired on June 3, 2019. The Board did not receive any comments. The revision will be implemented as proposed.

Board of Governors of the Federal Reserve System, August 7, 2019.

Michele Taylor Fennell,

Assistant Secretary of the Board.

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