



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY:

On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), pursuant to 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. 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 instruments 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.

DATES: Comments must be submitted on or before [insert date 60 days after publication in the Federal Register].

ADDRESSES: You may submit comments, identified by FR Y-14A, FR Y-14Q, or FR Y-14M, by any of the following methods:

- Agency Website: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include OMB 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 website at 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 form 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.

Additionally, commenters may send a copy of their comments to the 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.

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

Federal Reserve Board Clearance Officer, Cynthia Ayouch, Division of Research and Statistics, 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.

SUPPLEMENTARY INFORMATION:

Request for comment on information collection proposal:

The following information collection, which is being handled under this delegated authority, has received initial Board approval and is hereby published for comment. At the end of the comment period, the proposed information collection, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, 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 collection 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.

Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following reports:

Report title: Capital Assessments and Stress Testing information collection.

Agency form number: FR Y-14A/Q/M.

OMB control number: 7100-0341.

Frequency: Annually, semi-annually, quarterly, and monthly.

Reporters: Large banking organizations that meet an annual threshold of \$50 billion or more in total consolidated assets (large Bank Holding Companies or large BHCs), as defined by the Capital Plan rule (12 CFR 225.8).¹

Estimated annual reporting hours: Summary, 61,320 hours; Macro scenario, 1,860 hours; Counterparty credit risk (CCR), 2,521 hours; Basel III/Dodd-Frank, 660 hours; and Regulatory capital, 660 hours. FR Y-14 Q: Securities risk, 1,200 hours; Retail risk, 1,920 hours; Pre-provision net revenue (PPNR), 85,500 hours; Wholesale corporate loans, 6,720 hours; Wholesale commercial real estate (CRE) loans, 6,480 hours; Trading risk, 46,234 hours; Basel III/Dodd-Frank, 2,640 hours; Regulatory capital, 4,800 hours; Operational risk, 3,360 hours; Mortgage Servicing Rights (MSR) Valuation, 864 hours; Supplemental, 960 hours; and Retail Fair Value Option/Held for Sale (Retail FVO/HFS), 1,216 hours. FR Y-14M: Retail 1st lien mortgage, 153,000 hours; Retail home equity, 146,880 hours; and Retail credit card, 91,800 hours. FR Y-14 On-Going Automation for existing respondents: 9,120 hours.

Estimated average hours per response: FR Y-14A: Summary, 1022 hours; Macro scenario, 31 hours; CCR, 420 hours; Basel III/Dodd-Frank, 22 hours; and Regulatory capital, 20 hours. FR Y-14Q: Securities risk, 10 hours; Retail risk, 16 hours; PPNR, 713 hours; Wholesale corporate loans, 60 hours; Wholesale CRE loans, 60 hours; Trading risk, 1,926 hours; Basel III/Dodd-Frank, 22 hours; Regulatory capital, 40 hours; Operational risk, 28 hours, MSR Valuation, 24 hours; Supplemental, 8 hours; and Retail FVO/HFS, 16 hours. FR Y-14M: Retail 1st lien mortgage, 510 hours; Retail home equity, 510 hours; and Retail credit card, 510 hours. FR Y-14, On-going revisions for existing respondents, 480 hours.

Number of respondents: 30.

General description of report: The FR Y-14 series of reports are authorized by section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), which requires the Federal Reserve to ensure that certain BHCs and nonbank financial companies supervised by the Federal Reserve are subject to enhanced risk based and leverage standards in order to mitigate risks to the financial stability of the United States (12 U.S.C. 5365). Additionally, section 5 of the BHC Act authorizes the Board to issue regulations and conduct information collections with regard to the supervision of BHCs (12 U.S.C. § 1844).

As these data are collected as part of the supervisory process, they are subject to confidential treatment under exemption 8 of the Freedom of Information Act (FOIA) (5 U.S.C. § 552(b)(8)). In addition, commercial and financial information contained in these information collections may be exempt from disclosure under exemption 4 of FOIA (5 U.S.C. § 552(b)(4)). Such exemptions would be made on a case-by-case basis.

Abstract: The data collected through the FR Y-14A/Q/M schedules provide the Federal Reserve with the additional information and perspective needed to help ensure that large BHCs have

¹The Capital Plan rule applies to every top-tier large BHC. This asset threshold is consistent with the threshold established by section 165 of the Dodd-Frank Act relating to enhanced supervision and prudential standards for certain BHCs.

strong, firm-wide risk measurement and management processes supporting their internal

assessments of capital adequacy and that their capital resources are sufficient given their business focus, activities, and resulting risk exposures. The annual Comprehensive Capital Analysis and Review (CCAR) exercise is also complemented by other Federal Reserve supervisory efforts aimed at enhancing the continued viability of large BHCs, including continuous monitoring of BHCs' planning and management of liquidity and funding resources and regular assessments of credit, market and operational risks, and associated risk management practices. Information gathered in this data collection is also used in the supervision and regulation of these financial institutions. In order to fully evaluate the data submissions, the Federal Reserve may conduct follow up discussions with or request responses to follow up questions from respondents, as needed.

The semi-annual FR Y-14A collects large BHCs' quantitative projections of balance sheet, income, losses, and capital across a range of macroeconomic scenarios and qualitative information on methodologies used to develop internal projections of capital across scenarios.² The quarterly FR Y-14Q collects granular data on BHCs' various asset classes and PPNR for the reporting period. The monthly FR Y-14M comprises three loan- and portfolio-level collections, and one detailed address matching collection to supplement two of the portfolio and loan-level collections. The FR Y-14Q and the FR Y-14M are used to support supervisory stress test models and for continuous monitoring efforts.

Current Actions: The Federal Reserve proposes revising several schedules of the FR Y-14A/Q/M reports, effective September 30, 2013. Most of the proposed changes would affect the FR Y-14A (semi-annual collection), particularly the Summary Schedule. The Summary Schedule and the Basel III schedule would be significantly revised in accordance with proposed capital rulemakings published for comment in August 2012.³ Specifically, the Summary Schedule would be revised to (1) expand the current Capital worksheet into three worksheets for the three definitions of regulatory capital that could be applicable over the planning horizon (General (12 CFR part 225, Appendix A), Advanced Approaches (12 CFR part 225, Appendix G), and Revised), and (2) add two worksheets to collect risk-weighted assets as outlined in the general risk-based capital rules and standardized and advanced approaches (including proposed changes). In addition, the Federal Reserve proposes expanding the collection of PPNR information to better understand the details and dynamics of BHC revenues and expenses. The Federal Reserve also proposes other smaller revisions to the Balance sheet, Securities, OpRisk, Retail ASC 310-30, and Retail Repurchase worksheets. Other FR Y-14A schedules would be revised to (1) remove two worksheets and expand the collection of three worksheets on the Counterparty Schedule, and (2) add a worksheet to the Counterparty Schedule to collect counterparty data related to securities financing transactions and repurchase agreements and

² BHCs that must re-submit their capital plan generally also must provide a revised FR Y-14A in connection with their resubmission.

³ 77 FR 52792, published August 30, 2012, proposed to revise and replace the Federal Reserve's risk-based and leverage capital requirements to be consistent with the most recent Basel requirements.

amend the scope of the respondents to this schedule. Finally, the FR-Y 14A/Q/M instructions and templates would be clarified by (1) adding, and expanding item definitions, (2) standardizing formatting, and (3) incorporating responses to industry questions to increase consistency with other regulatory reports, enhance reporting guidance, and improve clarity.

The FR Y-14Q (quarterly collection) would be revised to (1) alter the Basel III schedule to conform with the revisions made to the Y-14A Basel III Schedule (2) add items to, delete other items from, and modify several of the tables of the Trading Schedule, (3) add eight and modify five items across the Wholesale Corporate Loan, Wholesale CRE, Securities, and Retail Domestic and International Auto Schedules, (4) adjust the PPNR Schedule to conform with the changes made to the PPNR worksheets of the FR Y-14A, and (5) add one and remove one field on the Supplemental Schedule.

The FR Y-14M (monthly collection) would be revised to (1) modify one and expand one item on the Domestic First Lien Closed-end 1-4 Family Residential Loan Schedule, and (2) modify two items on the Domestic Home Equity Loan and Home Equity Line Schedule. In addition, the FR Y-14M would be amended for the June 30, 2013, report date to reflect the removal of the Reason for Default item from the Domestic Home Equity Loan and Home Equity Line schedule in response to comments received during the public comment period for the *Federal Register* notice issued December 20, 2012 (77 FR 75434).

Draft files illustrating the proposed revisions and clarifications to the schedules and instructions will be available on the Federal Reserve Board's public Website at: <http://www.federalreserve.gov/apps/reportforms/review.aspx>. A summary of the proposed revisions is provided below.

Proposed Revision to the FR Y-14A (semi-annual collection)

The proposed revisions to the FR Y-14A consist of clarifying instructions, adding data items, deleting data items, and redefining existing data items. These proposed changes would (1) be responsive to industry comments, (2) provide additional information to greatly enhance the ability of the Federal Reserve to analyze the validity and integrity of firms' projections, (3) improve comparability across firms, (4) increase consistency within the FR Y-14A and between the FR Y-14A and FR Y-14Q/M, as well as the Consolidated Financial Statements for Bank Holding Companies (FR Y-9C; OMB No. 7100-0128), and (5) improve the scope of supervisory models. The Federal Reserve has conducted a thorough review of proposed changes and believes that the incremental burden of these changes is justified given the need for these data to properly conduct the Federal Reserve's supervisory responsibilities related to the stress testing and CCAR process.

Summary Schedule

The Federal Reserve proposes making a number of changes to the Summary Schedule (1) to better assess BHCs' calculation of risk weighted assets and certain other items detailed below, and (2) to refine certain items based on public feedback or to reduce burden on the public.

Risk Weighted Assets (RWA) and Regulatory Capital Related to Basel III. The Capital Plan Rule published by the Federal Reserve on December 1, 2011, requires BHCs to calculate the regulatory capital ratios reported in its capital plan according to the current Regulation Y requirements or “any successor regulation.” Three *Federal Register* notices⁴ were published for public comment on July 7, 2012, that outlined the joint proposed rulemaking of the Federal Reserve, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The proposed rules would revise and replace the agencies’ risk-based and leverage capital requirements to be consistent with agreements reached by the Basel Committee on Banking Supervision in “Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems” (Basel III). The revisions include implementation of a new definition of regulatory capital, a new common equity tier 1 minimum capital requirement, a higher minimum tier 1 capital requirement, and, for banking organizations subject to the advanced approaches capital rules, a supplementary leverage ratio that incorporates a broader set of exposures in the denominator measure. In addition, the proposed rules would amend the methodologies for determining risk-weighted assets and introduce disclosure requirements that would apply to top-tier banking organizations domiciled in the United States with \$50 billion or more in total assets.

Due to the timing of this proposal, the annual CCAR and Dodd-Frank Act stress test (DFAST), and the proposed capital rulemaking, the Federal Reserve considered several options for the timing and scope of the proposal to collect information related to the proposed capital rulemaking. After careful consideration of the various options, the Federal Reserve determined that proposing the following revisions at this time would enable the Federal Reserve to collect these data while minimizing the burden to the industry.

Revisions to Capital worksheet. To accommodate potential changes in the capital regime, the Federal Reserve proposes replacing the current Capital worksheet with three worksheets (General, Advanced Approaches, and Revised Capital worksheets) that incorporate the items of the current Capital worksheet and add or revise items to collect projections depending on which capital regime is applicable to the BHC at any given point in the projection horizon. The General Capital worksheet would be required for all BHCs for all projection quarters until the revised definition of capital becomes effective for the BHC. The Advanced Approaches Capital worksheet would be required for BHCs that have received supervisory approval to exit the advanced approaches parallel run for all projection quarters until the revised definition of capital becomes effective for the BHC.

Proposed General Capital worksheet. On the General Capital worksheet, the Federal Reserve proposes adding 10 line items that collect detail on the additions and adjustments to tier 1 capital that result in the calculation of total risk-based capital under the general risk-based capital rules. The Federal Reserve also proposes revising the description of the item collecting data on taxes paid in previous years to refer to the current year, one year ago, and two years ago, instead of specific years.

Proposed Advanced Approaches Capital worksheet. On the Advanced Approaches Capital worksheet, the Federal Reserve proposes adding or revising six items in the tier 1 capital section

⁴ 77 FR 52792, published August 30, 2012, proposed to revise and replace the Federal Reserve’s risk-based and leverage capital requirements to be consistent with the most recent Basel requirements.

to collect data consistent with the definition of tier 1 capital under the Advanced Approaches Rule (12 CFR part 225, Appendix G). The Federal Reserve also proposes adding 14 items to collect detail on the additions and adjustments to tier 1 capital that result in the calculation of total risk-based capital.

Proposed Revised Capital worksheet. On the Revised Capital worksheet, the Federal Reserve proposes revising 59 items under the header “Regulatory Capital” to collect data elements consistent with the Basel III definition of capital, as well as an associated “Exceptions Bucket” for information necessary to calculate certain deductions from capital. The Federal Reserve also proposes to remove footnotes which collected explanatory information on additions to (deductions from) tier 1 capital, and footnotes which provided the definition of “tier 1 common” per the Capital Plan Rule.

For all three Capital worksheets, the Federal Reserve proposes to add one item to confirm whether the filing institution is internationally active, which affects the calculation of deferred-tax assets. The Federal Reserve also proposes to add two items to ensure that BHCs have included Trust Preferred Securities within tier 1 capital in a manner consistent with the phase-out requirements of the Collins Amendment (section 171 of the Dodd-Frank Act). Finally, additional footnotes would be removed as they are now unnecessary given the additional information collected above.

Addition of RWA worksheets. To accommodate the eventual collection of RWA as outlined in the proposed rulemakings, the Federal Reserve proposes to add two RWA worksheets: RWA General and RWA Advanced. The items in the two worksheets correspond to the general risk-based capital rules and proposed standardized approach and the advanced approaches, including proposed changes. All BHCs would be required to submit projections on the General worksheet for all projection quarters, where applicable. In addition, BHCs subject to market risk capital requirements would be required to report items in the Market RWA section of the applicable RWA worksheet, using methodologies outlined in that rule.

BHCs would be required to complete the General RWA section for all projection quarters until the Standardized Approach becomes the applicable risk-based capital requirement. At that time, BHCs would be required to report items in the Standardized Approach section. The Memoranda for Derivative Contracts section would collect notional principal amounts by type of derivative contracts for all quarters.

BHCs that have exited parallel run prior to submission of the Summary Schedule would be required to submit projections on the Advanced Approaches RWA worksheet for all projection quarters. BHCs would be required to report items in the Advanced Approaches Credit Risk and Operational Risks section for all quarters. BHCs would be required to report items in the Revised Advanced Approaches section for all applicable quarters. BHCs completing the Advanced Approaches RWA worksheet would still be required to complete the General RWA worksheet in order to calculate minimum risk-based capital requirements per the advanced approaches rule.

Proposed General RWA worksheet. The proposed General RWA worksheet, which is composed of 69 items, would collect RWA as calculated under the general risk-based capital framework and the proposed standardized approach, when applicable.

Proposed Advanced RWA worksheet. The proposed Advanced RWA worksheet, which would be composed of 68 items, would collect RWA projections as calculated under the advanced approaches rule.

In addition to the above proposed changes to the Capital worksheet, the Federal Reserve proposes changes to several other worksheets in the Summary Schedule as described below.

Current Balance Sheet worksheet. On the Balance sheet worksheet, the Federal Reserve proposes adding two items to the Securities section, three items to the Other Assets section, two items to the Deposits section, and two items to the Liabilities section to better align this schedule with other regulatory reports to provide better insight into historical behavior of respondents' assets and liabilities. In addition, the Federal Reserve proposes to revise the definition of one item, Accumulated other comprehensive income (AOCI), in the BHC equity capital section. This item would now be estimated by all BHCs using the conditions specified in the applicable macroeconomic scenario, rather than under the trading shock.

Securities Available-For-Sale (AFS) Market Shock worksheet. Consistent with the redefinition of AOCI in the balance sheet worksheet, the Federal Reserve proposes renaming this worksheet to Securities AFS OCI by Portfolio. This worksheet would collect quarterly projections of other comprehensive income (OCI) related to fair-value gains and losses on AFS securities that are based on the conditions specified in the applicable macroeconomic scenario.

PPNR Net Interest Income worksheet. On the PPNR Net Interest Income worksheet, the Federal Reserve proposes redefining the information collected in this worksheet to include all assets, including nonaccrual loans which were previously reported in the PPNR metrics worksheet. BHCs would be expected to include in the supporting documentation a breakout of the major categories of nonaccrual loans relevant to their own institution. The Federal Reserve proposes expanding detail on BHC holdings of securities to better understand the underlying dynamics of securities balances and interest income by breaking out data items for Treasury and Agency debt, residential mortgage-backed securities issued by government agencies, and all other securities. Similarly, the Federal Reserve proposes redefining the information collected in this worksheet to include all liability balances and adding one item to capture other liabilities that fall outside the existing liability types reported. To reduce burden on the public, the existing breakout of commercial and industrial loans into small business loans and other loans would be collapsed into one item.

PPNR Metrics worksheet. Where applicable, the aforementioned changes to the PPNR Net Interest Income worksheet would also be reflected in the PPNR Metrics worksheet. In addition, the Federal Reserve would modify one, delete three, and add seven items to better understand how PPNR projections compare to historical trends. Based on feedback from the public, the Federal Reserve proposes amending two items on this worksheet. Finally, the Federal Reserve

proposes adding four footnote items to allow the Federal Reserve to better assess BHC PPNR projections.

Outside of the worksheets named above, the Federal Reserve is proposing minor changes to the Balance Sheet, Retail Balance & Loss Projections, Securities OTTI Methodology, Securities OTTI by Portfolio, Securities AFS Market Shock, Securities Market Value Sources, OpRisk, and PPNR Projections worksheets.

Basel III Schedule

The Federal Reserve proposes adding a line item to the Capital Composition worksheet to capture deductions related to insurance underwriting subsidiaries, which will enable more precise calculations of regulatory capital. The Federal Reserve also proposes revising the General and Advanced Approaches RWA worksheets to align with certain changes made to the Summary Schedule. Specifically, the Federal Reserve proposes adding to the General RWA worksheet a “RWA per Standardized Approach” section, which would collect credit RWA using methodologies under the revised standardized approach.

Counterparty Schedule

The Federal Reserve proposes eliminating the aggregate worksheets EE Profile by Ratings and Credit Quality by Rating from the Counterparty Schedule and expanding the collection of the counterparty specific worksheets CP CVA by Top 200 CVA, EE Profile by CP, and Credit Quality by CP to capture the top counterparties that account for 95% of credit valuation adjustment (CVA). This expansion in scope is driven by the need to close the sometimes significant gap between the CVA of the top 200 counterparties and the BHC’s total CVA and to capture exposures to counterparties that are significantly large in other dimensions, but which are currently excluded from the top 200 by CVA. Additionally, the Federal Reserve proposes adding an additional worksheet that collects the top 20 counterparties by Securities Financing Transactions and Repo exposure to account for counterparty exposures other than derivatives. Finally, the Federal Reserve proposes adding columns on the worksheets of the template as appropriate to collect stressed counterparty data based on the Adverse and Severely Adverse scenarios as part of the stress testing process.

In addition, the Federal Reserve proposes amending the scope of the respondents to the FR Y-14A CCR schedule and Trading and CCR worksheets of the FR Y-14A Summary schedule to include any company that the Board or the Director of the Division of Banking Supervision and Regulation, acting under delegated authority, may require to complete these schedules under 12 CFR 252.144(b)(2).

Proposed Revision to the FR Y-14Q (quarterly collection)

The proposed revisions to the FR Y-14Q consist of clarifying instructions, adding data items, deleting data items, redefining existing data items, and structurally adjusting the reporting templates. These proposed changes would be responsive to industry comments and provide additional information to greatly enhance the integrity and scope of supervisory models. The

Federal Reserve has conducted a thorough review of proposed changes and believes that the proposed item additions and modifications to the FR Y-14Q request information currently collected by respondents in their regular course of business. A summary of the proposed changes by schedule is provided below.

Trading Schedule

The proposed changes would (1) provide additional granularity from firms' trading portfolios to capture behavior that greatly varies from the current aggregates, (2) bring asset movement collections in line with the stress scenarios from the CCAR and DFAST of 2013, (3) be responsive to industry feedback, and (4) remove information that is not currently applicable to many respondents. The Federal Reserve has conducted numerous industry calls regarding these proposed changes and has determined them to be low burden to respondents on an aggregate basis.

The Federal Reserve proposes (1) expanding the range of asset price movements for the tables on the Agencies and Rates DV01 worksheets; (2) modifying the reporting units of the Rates Vega worksheet; (3) adding seven categories of assets across two tables on the Agencies and Securitized Products worksheets; (4) adding seven columns that collect profit/loss (P/L) figures for a given asset to the Corporate Credit – Advanced; (5) removing six indices and adding five emerging market specific indices to three tables on the Corporate Credit – EM worksheet; (6) modifying the aggregation level of tables on the IDR – Corporate Credit worksheet; (7) deleting the Private Equity – V2 and Other Fair Value Assets – V2 worksheets of the reporting template; (8) deleting items from other worksheets; and (9) adding option to report commodity P/L figures in relative or absolute terms.

Wholesale Corporate Loan Schedule

The Federal Reserve proposes to add one item and redefine two items on the Wholesale Corporate Loan Schedule. Specifically, the Federal Reserve would add one item to identify borrowers that are special purpose entities, which would enhance the ability of the Federal Reserve to identify loans with specific characteristics that vary greatly from the aggregate. Also, the Federal Reserve would change the items Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) and Adjusted EBITDA to be Operating Income and Depreciation and Amortization, to improve the clarity of financial information.

Wholesale Commercial Real Estate (CRE) Schedule

The Federal Reserve proposes adding one item to the Wholesale CRE Schedule to identify loans that have been subject to a troubled debt restructuring. The proposed changes would enhance the ability of the Federal Reserve to identify loans which have been modified per Accounting Standards Codification (ASC) 310-40. Additionally, the Federal Reserve proposes to alter the scope of the items Anchor Tenant and Loan Purpose to more accurately capture the information related to these items.

Securities Schedule

The Federal Reserve proposes modifying one security type and the collection of one aggregate item across security types to the Securities Schedule. Specifically, the Federal Reserve proposes modifying the security type Other Consumer Asset Backed Securities (ABS) (excluding HEL ABS) to be Other ABS (excluding HEL ABS) in the tables on the Securities 1 and Securities 2 worksheets of the Securities Schedule. Also, the Federal Reserve proposes adding Book Yield and Purchase Date as columns to the Securities 1 worksheet and adding a column to collect realized gains/losses from sales of securities in the reporting quarter on the Securities 2 worksheet. The proposed changes would enhance the ability of the Federal Reserve to model the behavior of the proposed security type, which varies greatly from the aggregate and allow the Federal Reserve to more accurately track the changes in the portfolios of respondents.

Retail Domestic and International Auto Schedules

The Federal Reserve proposes adding four items to both the Retail US Auto Loan Schedule and the Retail International Auto Loan Schedule. Specifically, the Federal Reserve proposes adding the Basel II default metrics: Probability of Default, Exposure at Default, Loss Given Default, and Expected Loss Given Default. The proposed changes would facilitate the review of Basel II implementation at certain BHCs.

PPNR Schedule

The Federal Reserve proposes revising the PPNR schedule to conform with the revisions made to the PPNR worksheets of the FR Y-14A Summary Schedule as described above.

Basel III Schedule

The Federal Reserve proposes revising the Y-14Q Basel III schedule to conform with the revisions made to the FR Y-14A Basel III Schedule as described above.

Supplemental Schedule

The Federal Reserve proposes adding an additional field to the Supplemental Schedule to capture the carrying value of assets held on the balance sheet for certain items. This additional field would apply to 23 of the 30 asset categories on the schedule for which these data are unavailable from other regulatory reports. These data would allow the Federal Reserve to better understand changes in firms' balance sheet composition each quarter. Additionally, to improve consistency across schedules, the Federal Reserve proposes removing the item Graded Loans for Purchasing or Carrying Securities since such loans are not included in the FR Y-14Q Wholesale Corporate Loan Schedule.

Proposed Revision to the FR Y-14M (monthly collection)

The proposed revisions to the FR Y-14M consist of clarifying instructions and modifying existing data items. These proposed changes would be responsive to industry comments and provide additional clarity to information already being collected. The Federal Reserve has

conducted a thorough review of proposed changes and believes that the incremental burden is justified by the need for these data to properly conduct the Federal Reserve's supervisory responsibilities related to the stress testing process. A summary of the proposed changes by Schedule is provided below.

Domestic First Lien Closed-end 1-4 Family Residential Loan Schedule

The Federal Reserve proposes modifying four data items on the Domestic First Lien Closed-end 1-4 Family Residential Loan Schedule. Specifically, the Federal Reserve would expand the options for the Product Type – Current and Product Type – Origination items to include options for a 1 year Adjustable Rate Mortgage (ARM 1) and a 15-year Adjustable Rate Mortgage (ARM 15). This proposed change would be responsive to an industry comment received regarding the changes to the FR Y-14M that were effective March 31, 2013. Additionally, in an effort to reduce reporting burden and retain data used by other Agencies, the Federal Reserve would change the reporting requirement for the Loss/Write-Down Amount item on both the portfolio-level and loan-level collections from mandatory for all respondents to mandatory for firms regulated by the OCC and optional for all others.

Domestic Home Equity Loan and Home Equity Line Schedule

The Federal Reserve proposes modifying two data items on the Domestic Home Equity Loan and Home Equity Line Schedule. Specifically, in an effort to reduce reporting burden and retain data used by other Agencies, the Federal Reserve would change the reporting requirement for the Loss/Write-Down Amount item on both the portfolio-level and loan-level collections from mandatory for all respondents to mandatory for firms regulated by the OCC and optional for all others.

Board of Governors of the Federal Reserve System, June 20, 2013.

Robert deV. Frierson
Secretary of the Board.

Billing Code 6210-01-P

[FR Doc. 2013-15142 Filed 06/24/2013 at 8:45 am; Publication Date: 06/25/2013]