



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on 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).

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 4006, 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>.
- 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: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, DC 20551.

All public comments are available from the Board's website at

<http://www.federalreserve.gov/apps/foia/proposedregs.aspx> 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

146, 1709 New York Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments. You may do so by calling (202) 452-3684. 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.

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, N.W., 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, if approved. These documents will also be made available on the 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 – 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.

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 and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. In exercising this delegated authority, the Board is

directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

Request for comment on information collection proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board'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 startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB delegated authority to extend for three years, with revision, 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.

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 bank holding company (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.

Proposed revisions: The Board is proposing to 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.

Legal authorization and confidentiality: The FR 4006 is authorized pursuant to sections 3(a) and 4(c)(2) of the Bank Holding Company Act (BHC Act)¹ 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 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

¹ 12 U.S.C. 1842(a) and 1843(c)(2).

² 12 C.F.R. 225.22(d).

Information Act, which protects privileged or confidential commercial or financial information
(5 U.S.C. 552(b)(4)).

Board of Governors of the Federal Reserve System, March 28, 2019.

Michele Taylor Fennell,

Assistant Secretary of the Board.

Billing Code 6210-01-P

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