

# FEDERAL RESERVE BANK *of* NEW YORK

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**ALEX SANTANA**  
ASSISTANT VICE PRESIDENT

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April 13, 2021

To: The Individuals Responsible for Preparing the Consolidated Financial Statements for Holding Companies (FR Y-9C) Located in the Second Federal Reserve District  
Subject: Holding Companies (HCs) Reporting Requirements for March 31, 2021

The following report forms and instructions for the March 31, 2021 reporting date have been posted to the Federal Reserve Board's website at:

<http://www.federalreserve.gov/apps/reportforms/default.aspx> under "Reporting Forms":

- (1) The Consolidated Financial Statements for Holding Companies (FR Y-9C);
- (2) The Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP);
- (3) The Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP);
- (4) The Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies (FR Y-12)
- (5) The Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11/ FR Y-11S);
- (6) The Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314/FR 2314S);
- (7) The Consolidated Report of Condition and Income for Edge and Agreement Corporations (FR 2886b);

The final reporting forms and instructions for the FR 2314/FR 2314S, FR 2886b, FR Y-11/FR Y-11S FR Y-12/Y-12A, effective for March 31, 2021, are posted to the Board's public Reporting Forms website. The final FR Y-9C forms and Supplemental Instructions, which provide guidance on accounting and reporting issues, effective for March 31, 2021, also are posted on the Board's Reporting Forms webpage. Updates to the March FR Y-9C instructions will also be available soon on this webpage. Please note that the separate standalone COVID-19 related Supplemental Instructions previously provided for the FR Y-9C have been incorporated into the March 2021 instructions, as appropriate. The following sections provide an overview of the reporting changes for March 31, 2021.

### GAAP Related Changes

On January 4, 2021, the Board published a final Federal Register notice<sup>1</sup> to revise the FR Y-9C forms and instructions to be consistent with changes to U.S. generally accepted accounting principles (GAAP). The revisions are effective March 31, 2021, and include changes related to: 1) provisions for credit losses on off-balance-sheet credit exposures, (2) expected recoveries of amounts previously charged off included within the allowances for credit losses, and 3) nonaccrual treatment of purchased credit-deteriorated assets. There are also revisions to the FR Y-9LP and FR Y-9SP forms to reflect changes on reporting of provisions for credit losses on off-balance-sheet credit exposures. There are two new FR Y-9C data items related to the GAAP changes: Schedule HI-B, Part II, Memorandum 7, “Provisions for credit losses on off-balance-sheet credit exposures” and Schedule HI-B, Part II, Memorandum 8, “Estimated amount of expected recoveries of amounts previously written off included within the allowance for credit losses on loans and leases held for investment.”

### Regulation D Rulemaking

The Board revised the FR Y-9C and FR 2886b instructions to implement changes also published in the January 4, 2021, final *Federal Register* Notice.<sup>2</sup> The changes which are effective March 31, 2021 clarify the reporting of savings deposits for institutions that have suspended the enforcement of the six-transfer limit rule on an account that meets the definition of a savings account. Furthermore, there are additional clarifications to the FR Y-9C and FR 2886b instructions to clarify the differences between the definition of “savings account” in Regulation D versus these reports.

### Home Equity Lines of Credit (HELOCs)

Effective March 31, 2021, the FR Y-9C forms and instructions for Schedule HC-C, Loans and Lease Financing Receivable were updated to implement changes published by the Board in a final Federal Register notice<sup>3</sup> on April 1, 2020. A new line item, HC-C, Memorandum item 15, was added to the FR Y-9C report to collect the amount of HELOCs that have converted to non-revolving closed-end status that are included in item HC-C 1.c.(1), “Revolving, open-end loans secured by 1–4 family residential properties and extended under lines of credit.”

### Asset Threshold Rulemaking

As previously advised, the federal banking agencies recently issued an interim final rule (IFR) providing relief to financial institutions with under \$10 billion in total assets as of December 31, 2019, by allowing them to calculate their asset size for applicable thresholds in certain rules during calendar years 2020 and 2021, based on the lower of total assets as of December 31, 2019, or as of the normal measurement date. In particular, the IFR adjusts the measurements dates for total asset thresholds that would trigger additional regulatory reporting

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<sup>1</sup> 86 FR 92 (January 4, 2021)

<sup>2</sup> 85 FR 23445

<sup>3</sup> 85 FR 18230 (April 1, 2020)

requirements for the remainder of calendar years 2020 through the end of 2021. The IFR allows institutions that temporarily exceed the \$10 billion total asset threshold to use the community bank leverage ratio framework, which is applicable to the FR Y-9C Schedule HC-R, from **December 31, 2020**, through December 31, 2021, provided they meet the other qualifying criteria for this framework. For each of these report dates, an institution would use the lesser of its total assets as of December 31, 2019, or as of the current quarter-end report date to determine whether it has met the \$10 billion total asset threshold.

Consistent with the IFR, a holding company may use the lesser of its total assets as of December 31, 2019, or as of the normal measurement date to determine whether additional filing requirements are applicable for each of the following reports:

- FR 2314/FR 2314S
- FR Y-9C
- FR Y-9LP
- FR Y-11/FR Y-11S

#### Confidentiality Checkbox

Effective March 31, 2021, institutions filing the FR 2886b will be required to select a checkbox if confidential treatment is requested for any part of the form they are completing.

#### *FR Y-9 Reports Submission*

Holding companies filing the FR Y-9 reports (FR Y-9C, FR Y-9LP, FR Y-9SP, and the (FR Y-9ES) are required to submit each report electronically. Holding companies must maintain in their files a manually signed and attested printout of the data submitted. The cover page of the Reserve Bank supplied report forms should be used to fulfill the signature and attestation requirement and this page should be attached to the printout placed in the bank holding company's files.

If you complete the preparation, editing, and review of your report(s) before the submission deadline, please file the report(s) immediately rather than waiting. Early submission provides for additional time for your institution to become accustomed with the new enhanced electronic submission process, and aids the Federal Reserve in the editing, review, and analysis of the reports. If you later find certain information needs to be revised, please make the appropriate changes to your report and promptly submit the revised data.

The Federal Reserve developed Reporting Central to enhance the overall reporting functionality of the Federal Reserve Banks' data collection and processing activities. These enhancements will allow for a more secure, technically advanced, and efficient system that will encompass a single point of entry for electronic submission and file uploads. Financial and nonfinancial institutions will access Reporting Central via the FedLine® Web Access Solutions site to submit reports and gain access to electronic reporting applications, report forms, and instructions. The Reporting Central application can be accessed for additional information

including an online resource center. If you have any questions regarding Reporting Central, please contact your Reporting and Reserves District Contact.

One aspect of the transition to Reporting Central necessitates the Federal Reserve to modify its internal procedures for handling confidentiality requests for those holding companies that submit data electronically. Generally, individual respondent data collected on the FR Y-9C, FR Y-9LP and the FR Y-9SP are made readily available on the National Information Center public website and the FR Y-9ES, FR Y-11/S and FR Y-12 reports are available to the public upon request on an individual basis. All data are published, with the exception of items deemed confidential per the report's instructions, unless the individual holding company from which the data were collected has been granted confidential treatment or has a request pending. A holding company may request confidential treatment for the entire report or for specific items on the report. To better facilitate confidentiality requests and ensure the data are properly handled during the review of the request, the Federal Reserve strongly encourages institutions that are of the opinion that disclosure of certain commercial or financial information in the report would likely result in substantial harm to its (or its subsidiaries') competitive position or that disclosure of the submitted personal information would result in unwarranted invasion of personal privacy to:

- (1) Notify their Reserve Bank of their intent to request confidential treatment in advance of the written request, and;
- (2) Send the confidentiality request in writing prior to data submission.

For institutions that do not submit data electronically, written requests for confidentiality may be provided concurrently with the paper submission of the report.

For more information on confidentiality requests, please see the specific report's General Instructions. **Note:** The information referenced above pertains to the existing manual process for submitting confidentiality requests. The final notice to add the confidentiality check box to the front page of the FR Y-9C, FR Y-9LP, FR Y-9SP, FR Y-9ES, FR Y-11/S, and FR Y-12 forms was published in the Federal Register.<sup>4</sup> The implementation date for the new confidentiality check box procedures has been determined and has been implemented for some reports (FR Y-9ES, FR Y-9SP, and FR Y-12). For the March 31, 2021 as-of date, confidentiality check box procedures will be implemented for the FR 2886B. Institutions will be provided with ample notice to prepare for submission of the new confidentiality check box requirements.

As mentioned above, the Federal Reserve publishes holding company FR Y-9 report submitted data to the National Information Center. Data is published on a flow basis within two days following receipt of a submission from the holding company, and updates are run nightly to capture any revisions subsequently submitted by the reporting holding company.

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<sup>4</sup> 80 FR 52282 (August 28, 2015)

Holding companies may subscribe to the Federal Reserve Board e-mail notification service to receive alerts regarding report form and instruction updates at: <http://www.federalreserve.gov/reportforms/whats-new.htm>. These updates include changes related to proposed new and existing data collections and final reporting forms and instructions.

### **Reports Submission Deadlines**

The submission deadline for **FR 2886b** filers is Friday, April 30, 2021. Any **FR 2886b** reports received after 5:00 p.m. on April 30, 2021 will be considered late.

The submission deadline for **FR Y-9C** filers is Monday, May 10, 2021. Any **FR Y-9C** reports received after 5:00 p.m. on May 10, 2021 will be considered late.

The submission deadline for **FR Y-9LP** filers is Monday, May 17, 2021. Any **FR Y-9LP** reports received after 5:00 p.m. on May 17, 2021 will be considered late.

The submission deadline for **FR Y-12** filers is Monday, May 17, 2021. Any **FR Y-12** reports received after 5:00 p.m. on May 17, 2021 will be considered late.

The submission deadline for **FR Y-11** and **FR 2314** filers is Tuesday, June 1, 2021. Any **FR Y-11** and **FR 2314** reports received after 5:00 p.m. on June 1, 2021 will be considered late.

If you are unable to electronically submit any of the above reports, please email a PDF of the report to [regulatory.reports@ny.frb.org](mailto:regulatory.reports@ny.frb.org).

Questions regarding the submission of these reports should be addressed to Jessica Smith, Manager, at (347) 901-2144.

Questions regarding the capital adequacy guidelines should be directed to Heidi Kim in the Supervision Policy & Strategy Group at (212) 720-6480.

Questions regarding the reporting requirements of all other reports should be addressed to Jessica Crawford-Eka, Manager, at (212) 720-5862.

Sincerely,

## ATTACHMENT 1

### LISTING OF REVISIONS

#### Revisions to the FR Y-9C for March 31, 2021

##### Report form changes:

1. *Report form cover page:* Updated expiration date to September 30, 2021.

##### Report form and instructions:

1. *Schedule HI, 2.c.* Revised the threshold measurement dates for report dates through December 31, 2021.
2. *Schedule HI, item 4.* Revised to instruct holding companies that have adopted ASU 2016-13 to report provisions for credit losses on off-balance sheet credit exposures in this line item.
3. *Schedule HI, 5.d.* Added a new non-reportable caption before the existing 5.d items to clarify the treatment of sharing arrangements with third parties.
4. *Schedule HI, 5.e., 5.g., Memorandum 7.a. through 7.p., Memorandum 8.a.(1) through 8.b(2), Memorandum 9.a. through 9.g., Memorandum 10.a and 10.b, Memorandum 7.a. through 12.a..through 12.c., Memorandum 14.a. through 14b.(1), Memorandum 15 and Memorandum 16.* – Revised the threshold measurement dates for report dates through December 31, 2021.
5. *Schedule HI, 7.d.* Revised to instruct holding companies that have adopted ASU 2016-13 to exclude provisions for credit losses on off-balance sheet credit exposures from this line item and report in HI, Part II, item 7 and include in HI 4.
6. *Schedule HI-B, part II, General Instructions.* Revised instructions for holding companies that have adopted ASU 2016-13 to report provisions for credit losses on off-balance sheet credit exposures in HI-B, Part II, Memorandum 7.
7. *Schedule HI-B, Part II, 5.* Added HI-B, Part II, memorandum 7, to the sum of amounts that would equal Schedule HI, item 4 for holding companies that have adopted ASU 2016-13.
8. *Schedule HI-B, Part II, Memorandum item 5.* Revised instructions for the exclusion of “Provisions for credit losses on off-balance sheet credit exposures” to reference Schedule HI-B, Part II, Memorandum 7.
9. *Schedule HI-B, Part II, Memorandum 7.* Added new line item to collect data on “Provisions for credit losses on off-balance sheet credit exposures.”
10. *Schedule HI-B, Part II, Memorandum 8.* Added new line item to collect data on the “Estimated amount of expected recoveries of amounts previously written off included within the allowance for credit losses on loans and leases held for investment” from holding

companies with \$5 billion or more in total assets to report. Also, added new footnote for this new item to clarify that term “written off” is used interchangeably with the term “charged off” in the FR Y-9C instructions.

11. *Schedule HI-B, Part I, items 4, 8, and Memorandum item 2.* Revised the threshold measurement dates for report dates through December 31, 2021.
12. *Schedule HI-B, Part II, Changes in Allowance for Credit Losses, Memorandum items 1, 2, 3, and 4.* Revised the threshold measurement dates for report dates through December 31, 2021.
13. *Schedule HI-C, Part I and Part II, Disaggregated Data on the Allowance for Loan and Lease Losses.* Revised the threshold measurement dates for report dates through December 31, 2021.
14. *Notes to the Income Statement—Predecessor Financial Items.* Updated footnote for holding companies that have adopted ASU 2016-13 to report “provisions for credit losses on off-balance sheet credit exposures” in the line item.
15. *Schedule HC-B, 4.a., and Memoranda 6.a. through 6.g.* Revised the threshold measurement dates for report dates through December 31, 2021.
16. *Schedule HC-C, 4., 9.b.(3), 10, Memoranda 1.a.(1) through 1.f.(3)(c), 3. and Memorandum item 12.* Revised the threshold measurement dates for report dates through December 31, 2021.
17. *Schedule HC-C, 15.* Added new item for “Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit in domestic office that have converted to non-revolving closed-end (included in item 1.c.1).”
18. *Schedule HC-C, 16.a. and 16.b.* Added instructions for reporting of “Number of Section 4013 loans outstanding” and “Outstanding balance of Section 4013 loans” related to eligible loan modification under Section 4013.
19. *Schedule HC-D, Trading Assets and Liabilities.* Revised the threshold measurement dates for report dates through December 31, 2021.
20. *Schedule HC-K, 4.a.* Revised the threshold measurement dates for report dates through December 31, 2021.
21. *Schedule HC-L, 7.a. through 7.d.(2)(b), 11.a through 14.b.(2), and 15.* Revised the threshold measurement dates for report dates through December 31, 2021.
22. *Schedule HC-M, 25.a., 25.b., 25.c., and 25.d.* Added instructions for “Number of PPP loans outstanding”, “Outstanding balance of PPP loans”, “Outstanding balance of PPP loans” and “Quarterly average amount of PPP loans pledged to the PPPLF and excluded from “Total assets for the leverage ratio” reported in Schedule HC-R, Part I, item 30.”

23. *Schedule HC-M, 6.a.(1)(a)(1) through 6.d.* Revised the threshold measurement dates for report dates through December 31, 2021.
24. *HC-N, General Instructions.* Revised instructions to clarify the past due and nonaccrual reporting of PCD assets.
25. *Schedule HC-N, 8, 12, and Memoranda 1.a.(1) through 1.d.(2), and 1.e.(3) through 1.f.(3)(c).* Revised the threshold measurement dates for report dates through December 31, 2021.
26. *Schedule HC-P, 1–4 Family Residential Mortgage Banking Activities in Domestic.* Revised the threshold measurement dates for report dates through December 31, 2021.
27. *Schedule HC-Q, Assets and Liabilities Measured at Fair Value on a Recurring Basis.* Revised the threshold measurement dates for report dates through December 31, 2021.
28. *Schedule HC-R, General Instructions.* Revised the Community Bank Leverage Ratio framework section instructions to reflect changes related to Section 4012 of the CARES Act.
29. *Schedule HC-R, General Instructions.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.
30. *Schedule HC-R Part I, item 2.* Revised instructions to reflect changes under the 5-year transition provision.
31. *Schedule HC-R Part I, item 2.a.* Revised the instructions for the entries that would indicate which CECL transition provision a holding company is using.
32. *HC-R Part I, item 10.(b).* Revised instructions for how advanced approaches holding companies should reflect the transitional amount under the 3 or 5-year transition provision.
33. *Schedule HC-R Part I, item 15.a.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.
34. *Schedule HC-R Part I, item 15.b.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.
35. *Schedule HC-R Part I, item 27.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.
36. *Schedule HC-R Part I, item 29.* Added instructions on the deductions of the quarterly average amount of PPP loans pledged to the PPPLF for purposes of calculating the leverage ratio.
37. *Schedule HC-R, Part I, item 40.a.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.
38. *Schedule HC-R, Part I, item 40.b.* Revised instructions to reflect changes related to the 5-Year 2020 CECL transition provision.



39. *Schedule HC-R 51.* Revised the instructions for of Eligible Retained Income.
40. *Schedule HC-R, Part II, item 1.* Added negotiable certificates of deposits purchased through the Money Market Mutual Fund Liquidity Facility to the column C-0% risk weight.
41. *Schedule HC-R, Part II, item 2.a.* Added the exposure amount of held to maturity securities purchased through the Money Market Mutual Fund Liquidity Facility to the column C-0% risk weight.
42. *Schedule HC-R, Part II, item 2.b.* Added the exposure amount of available for sale debt securities purchased through the Money Market Mutual Fund Liquidity Facility to column C-0% risk weight.
43. *Schedule HC-R, Part II, item 4.a.* Added short-term modifications of 1-4 family residential mortgages in response to COVID-19 to column H-50% risk weight. Added related footnote referencing the April 7, 2020, “*Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus.*”
44. *Schedule HC-R, Part II, item 4.c.* Added U.S. Small Business Administration Paycheck Protection Program loans to column C-0% risk weight.
45. *Schedule HC-R, Part II, item 4.d.* Added U.S. Small Business Administration Paycheck Protection Program loans to column C-0% risk weight.
- 46.
47. *Schedule HC-R, Part II, item 5.a.* Added short-term modifications of 1-4 family residential mortgages in response to COVID-19 to column H-50% risk weight. Added related footnote referencing the April 7, 2020, “*Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus.*”
48. *Schedule HC-R, Part II, item 5.c.* Added U.S. Small Business Administration Paycheck Protection Program loans to column C-0% risk weight.
49. *Schedule HC-R, Part II, item 5.d.* Added U.S. Small Business Administration Paycheck Protection Program loans to column C-0% risk weight.
50. *Schedule HC-R, Part II, item 7.* Added the inclusion of assets purchased through the Money Market Mutual Fund Liquidity Facility to column C-0% risk weight. Added Small Business Administration Paycheck Protection Program loans held for trading column C-0% risk weight.
51. *Schedule HC-R Part II, item 8.* Added instructions for reporting of DTA arising from temporary differences under the CECL 5-year transition provision.
52. *Schedule HC-R, Part II, item 8.* Added assets purchased through the Money Market Mutual Fund Liquidity Facility reported in HC, item 11 to column C-0% risk weight.
53. *Schedule HC-R, Part II, Item 1 through 25 and Memoranda items 1, 2, and 3.* Revised the

reporting threshold measurement dates for report dates through December 31, 2021.

54. *Schedule HC-S, Servicing, Securitization, and Asset Sale Activities, items 6, 10, and Memorandum item 3.* Revised the reporting threshold measurement dates for report dates through December 31, 2021.

55. *Schedule HC-V, Variable Interest Entities.* Revised the reporting threshold measurement dates for report dates through December 31, 2021.

Glossary:

1. *Allowance for Credit Losses.* Added instructions related to expected recoveries.
2. *Deposits.* Revised instructions to clarify the reporting of savings account by reporters that have suspended enforcement of the six-transfer limit under Regulation D. Added footnote to instruct that the option to report as a NOW account is only applicable to institutions that offer NOW accounts.
3. *Deposits.* Revised instructions to clarify reporting of transaction and non-transaction accounts.
4. *Deposits.* Revised instructions to clarify the reporting of retail sweep arrangement.
5. *Nonaccrual Status.* Revised instructions to clarify reporting of a PCD asset as a nonaccrual by a holding company that has adopted ASU 2016-13.
6. *Purchased Credit-Deteriorated Assets.* Added clarifications on the reporting of purchased credit deteriorated assets.

**Revisions to the FR Y-9LP for March 31, 2021**

Report form changes:

- (1) *Schedule PI, 2.c.* Revised footnote to instruct holding companies that have adopted ASU 2016-13 to report provisions for credit losses on off-balance sheet credit exposures in this line item.

Instructions:

- (1) *No changes.*

**Revisions to the FR Y-9SP for March 31, 2021**

Report form changes

(1) *Schedule SI*, 7. Revised footnote to instruct holding companies that have adopted ASU 2016-13 to report provisions for credit losses on off-balance sheet credit exposures in this line item.

Instructions

(1) *No changes.*

**Revisions to the FR Y-2314/2314S for March 31, 2021**

Report form changes:

No change.

Instructions:

1. *General Instructions*, added footnotes regarding the total asset threshold measurement date for quarterly and annual filers.

**Revisions to the FR Y-2886b for March 31, 2021**

Report form changes:

1. *Report form Cover Page*, added Confidentiality Check box.

Instructions:

1. *General Instructions*, added Confidentiality Check box instructions.

2. *Schedule RC-E, Deposits*, Revised instructions to clarify the reporting of savings account by reporters that have suspended enforcement of the six-transfer limit under Regulation D. Added footnote to instruct that the option to report as a NOW account is only applicable to institutions that offer NOW accounts.

3. *Schedule RC-E, Deposits*, added clarifications to the reporting of transaction and non-transaction accounts.

Edits

1. Added and revised several Validity, Intraserries, and Quality edits (See attached FR 2886b Summary of Edit Changes for March 2021 document).

**Revisions to the FR Y-12 for March 31, 2021**

Report form changes:

No change.

Instructions:

No change.

Edits

1. Archived and revised several Quality edits (See attached FR Y-12 Summary of Edit Changes for March 2021 document).

**Revisions to the FR Y-11/11S for March 31, 2021**

Report form changes:

No change.

Instructions:

1. *General Instructions*, added footnotes regarding the total asset threshold measurement date for quarterly and annual filers.