

# FEDERAL RESERVE BANK *of* NEW YORK

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**ALEX SANTANA**  
ASSISTANT VICE PRESIDENT

July 14, 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 June 30, 2021

The following report forms and instructions for the June 30, 2021 reporting date will be posted shortly 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).

Updates to the December FR Y-9C Supplemental Instructions, which provide guidance on accounting and reporting issues affecting the FR Y-9C, will also be available soon on the [Reporting Forms](#) webpage. The following sections provide an overview of the reporting changes for June 30, 2021.

## Total Loss Absorbing Capacity

On January 6, 2021, the Board, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation published the final Total Loss Capacity rule<sup>1</sup> which applies to advanced approached banking organizations with the aim of reducing both interconnectedness within the financial system and systemic risks. The FR Y-9C forms and instructions have been revised to implement changes related to the TLAC final rule. There are twelve new TLAC related items added to Schedule HC-R, Regulatory Capital Components and Ratios, Part I. In addition, the instructions for certain existing report items in parts I and II of Schedule HC-R have been updated consistent with the TLAC changes. The final TLAC rule is effective April 1, 2021, and the changes to the FR Y-9C are effective June 30, 2021.

### Asset Threshold Rulemaking

As previously advised, the federal banking agencies 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 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. On May 26, 2021, the Board published a final Federal Register notice to approve the revisions that will remain in effect through December 31, 2021.

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

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<sup>1</sup> 86 FR 708 (January 6, 2021)

### Confidentiality Checkbox

Effective June 30, 2021, institutions filing the FR 2314/FR 2314S and FR Y-11/FR Y-11S, 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/FR Y-11S, 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 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 2314/FR 2314S, FR Y-11/FR Y-11S, FR Y-7N/FR Y-7NS, FR Y-15, FR 2886b, FR 2320, and FR Y-12 forms was published in the Federal Register.<sup>2</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, FR Y-12, and FR Y-7NS). For the June 30, 2021 as-of date, confidentiality check box procedures will be implemented for the FR 2314/FR 2314S and FR Y-11/FR Y-11S. 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.

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, July 30, 2021. Any **FR 2886b** reports received after 5:00 p.m. on July 30, 2021 will be considered late.

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

The submission deadline for **FR Y-9LP** filers is Monday, August 16, 2021. Any **FR Y-9LP** reports received after 5:00 p.m. on August 16, 2021 will be considered late.

The submission deadline for **FR Y-9SP** filers is Monday, August 16, 2021. Any **FR Y-9SP** reports received after 5:00 p.m. on August 16, 2021 will be considered late.

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<sup>2</sup> 80 FR 52282 (August 28, 2015)

The submission deadline for **FR Y-12** filers is Monday, August 16, 2021. Any **FR Y-12** reports received after 5:00 p.m. on August 16, 2021 will be considered late.

The submission deadline for **FR Y-11** and **FR 2314** filers is Monday, August 30, 2021. Any **FR Y-11** and **FR 2314** reports received after 5:00 p.m. on August 30, 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 June 30, 2021

##### Report form changes:

1. *Schedule HC-N, Memorandum item 6.* Added footnote that indicates the threshold measurement dates for report dates through December 31, 2021.

##### Report form and instructions:

1. *Schedule HI-B, Part II, item 6.* Added clarifications related to reporting the initial gross-up amount for the allowance for purchased credit deteriorated assets.
2. *Schedule HI-B, Part I, item 7.* Updated instructions to include “loans to depository institutions and acceptances of other banks and other loans” charged off and recovered.
3. *Schedule HC-R, Part I, item 11.* Revised instructions to add “covered debt instruments” related to TLAC changes for **advanced approaches** holding companies.
4. *Schedule HC-R, Part I, item 17.* Revised instructions to add “covered debt instruments” related to TLAC changes for **advanced approaches** holding companies.
5. *Schedule HC-R, Part I, item 24.* Revised instructions to add “covered debt instruments” related to TLAC changes for **advanced approaches** holding companies.
6. *Schedule HC-R, Part I, item 43.* Updated instructions to incorporate TLAC changes for **advanced approaches** holding companies.
7. *Schedule HC-R, Part I, item 54.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report Outstanding eligible long-term debt (LTD).
8. *Schedule HC-R, Part I, item 55.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report Total loss-absorbing capacity.
9. *Schedule HC-R, Part I, item 56.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report LTD and TLAC total risk-weighted assets ratios.
10. *Schedule HC-R, Part I, item 57.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report LTD and TLAC total risk-weighted assets ratios using advanced approaches rule.
11. *Schedule HC-R, Part I, item 58.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report LTD and TLAC leverage ratios.

12. *Schedule HC-R, Part I, item 59.* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report LTD and TLAC supplementary leverage ratios.
13. *Schedule HC-R, Part I, item 62(a).* Added new item related to TLAC for U.S. GSIBs and IHCs of Foreign GSIBs to report TLAC risk-weighted buffer necessary to avoid limitations on distributions and discretionary bonus payments.
14. *Schedule HC-R, Part I, item 62(b).* Added new item related to TLAC for U.S. GSIBs to report the TLAC leverage buffer necessary to avoid limitations on distributions and discretionary bonus payments.
15. *Schedule HC-R, Part II, General Instructions, Amounts to Report in Column B.* Revised instructions related to TLAC for **advanced approaches** holding companies and added related footnote.
16. *Schedule HC-R Part II, items 2(a), 2(b), 7 and 8.* Revised the instructions related to TLAC for **advanced approaches** holding companies.
17. *Schedule HC-S, item 1.* Clarified instructions related to exclusion of 1-4 family residential mortgages sold to a Federal Home Loan Bank (FHLB) through a Mortgage Partnership Finance Program that the FHLB in turn securitizes.

Glossary:

1. *Goodwill:* Updated instructions to clarify the reporting for private company accounting alternatives for goodwill impairment.
2. *Short Position:* Updated instructions to clarify the netting of certain long and short trading positions determined by an identical unique identifier for purposes of the FR Y-9C.
3. *Trading Account:* Updated instructions to clarify the reporting of certain trading revenue.

**Edits**

1. Added new validity edits and quality edits related to TLAC revisions and validity edits and quality edits (See the attached FR Y-9C Summary of Edit Changes for June 2021 document).

**Revisions to the FR 2314/2314S for June 30, 2021**

Report form changes:

1. *Report form Cover Page,* added Confidentiality Checkbox.

Instructions:

1. *General Instructions,* added Confidentiality Checkbox instructions.

Edits:

1. Added new Validity edits related to the Confidentiality Checkbox (See the attached FR 2314 and FR 2314S Summary of Edit Changes for June 2021 document).
2. Added FR 2314S Quality and Validity Edits tables.

**Revisions to the FR Y-11/11S for June 30, 2021**Report form changes:

1. *Report form Cover Page*, added Confidentiality Checkbox.

Instructions:

1. *General Instructions*, added Confidentiality Checkbox instructions.

Edits:

1. Added new Validity edits related to the Confidentiality Checkbox (See the attached FR Y-11 and FR Y-11S Summary of Edit Changes for June 2021 document).
2. Added FR Y-11S Quality and Validity Edits tables