

# FEDERAL RESERVE BANK *of* NEW YORK

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**ALEX SANTANA**  
ASSISTANT VICE PRESIDENT

January 22, 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 December 31, 2020

The following report forms and instructions for the December 31, 2020 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 Financial Statements for Employee Stock Ownership Plan Holding Companies (FR Y-9ES);
- (4) The Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP);
- (5) The Consolidated Holding Company Report of Equity Investments in Nonfinancial Companies (FR Y-12/FR Y-12A);
- (6) The Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11/FR Y-11S);
- (7) The Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314/FR 2314S);
- (8) 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 December 31, 2020, are posted to the Board's public Reporting Forms website. The final forms for the FR Y-9C effective for

December 31, 2020, also are posted on the Board's Reporting Forms webpage. Updates to the December FR Y-9C instructions, COVID-19-related instructions and the Supplemental Instructions, which provide guidance on accounting and reporting issues affecting the FR Y-9C, will also be available soon on this webpage. A list of changes to the report forms and instructions is included in Attachment 1 below.

#### Capital-related Rulemakings on COVID-19 and CARES Act Revisions

As previously advised, the FR Y-9C updates for March and June 2020 included revisions associated with several capital-related and other interim final rules (IFRs) issued by one or all of the federal banking agencies in response to the impact on the financial markets and strains on the U.S. economy as a result of the Coronavirus Disease 2019 (COVID-19). These revisions also resulted from certain provisions of the 2020 Coronavirus Aid, Relief, and Economic Security Act, which has been amended by the Consolidated Appropriations Act, 2021, enacted into law December 27, 2020. Holding companies should refer to the separate standalone December 2020 COVID-19 Supplemental Instructions addressing these revisions, which update the September 2020 version of these Supplemental Instruction, which will be posted soon.

#### Stress Capital Buffer (SCB) Rulemaking

In connection with the SCB final rule, the Board modified the FR Y-9C for holding companies (HCs) subject to the capital plan rule in order to collect information regarding a firm's stress capital buffer requirement, GSIB surcharge, countercyclical capital buffer amount, as applicable, and any applicable distribution limitations under the regulatory capital rule. The new line items apply to top-tier HCs subject to the Board's capital plan rule (BHCs and IHCs with total consolidated assets of \$100 billion or more).

#### Asset Threshold Rulemaking

In addition, 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 requirements for the remainder of calendar years 2020 through the end of 2021. The IFR also 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, an HC 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

*Recognition and Measurement of Financial Instruments: Investments in Equity Securities*

In January 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-01, “Recognition and Measurement of Financial Assets and Financial Liabilities.” This ASU made targeted improvements to U.S. Generally Accepted Accounting Principles. As one of its main provisions, the ASU required investments in equity securities, except those accounted for under the equity method and those that result in consolidation, to be measured at fair value with changes in fair value recognized in net income. As-of December 2020, there was either a removal of references to ASU 2016-01 or updated language to indicate that all HCs are now required to have adopted this accounting standard. Please see below for applicable reporting series:

- FR 2314/FR 2314S
- FR 2886b
- FR Y-9C
- FR Y-9LP
- FR Y-9SP
- FR Y-11/FR Y-11S
- FR Y-12

*Regulation D Rulemaking*

The Board amended Regulation D through an interim final rule<sup>1</sup> (IFR), effective as of April 24, 2020, to delete the six-transfer limit from the “savings deposit” definition. This IFR included deletion of the provisions in the “savings deposit” definition that required depository institutions either to prevent transfers and withdrawals in excess of the six-transfer limit or to monitor savings deposits *ex post* for violations of the six-transfer limit. As a result of the amendments to Regulation D, the FR Y-9C and FR 2886b instructions were temporarily revised, effective as of June 30, 2020, to reflect the revised definition of “savings deposits” in accordance with the amendments to Regulation D. The temporarily revised instructions were finalized with a recent proposal<sup>2</sup> approved by the Board of Governors and are effective as of December 31, 2020.

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<sup>1</sup> 85 FR 23445 (April 28, 2020)

<sup>2</sup> 86 FR 92 (January 4, 2021)

### Confidentiality Checkbox

Effective December 31, 2020, certain entities will be required to select a checkbox if confidential treatment is requested for any part of the form they are completing. Please see below for applicable reporting series:

- FR Y-9ES
- FR Y-9SP
- FR Y-12

### 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 that 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 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>3</sup> The implementation date for the new confidentiality check box procedures has not been determined. 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 institutions.

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 Monday, February 1, 2021. Any **FR 2886b** reports received after 5:00 p.m. on February 1, 2021 will be considered late.

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

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

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<sup>3</sup> 80 FR 52282 (August 28, 2015)

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

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

The submission deadline for **FR Y-9ES** filers is Monday, August 2, 2021. Any **FR Y-9ES** reports received after 5:00 p.m. on August 2, 2021 will be considered late.

The submission deadline for **FR Y-11/FR Y-11S** and **FR 2314/2314S** filers is Monday, March 1, 2021. Any **FR Y-11/FR Y-11S** and **FR 2314/2314S** reports received after 5:00 p.m. on March 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 December 31, 2020**

##### Report form changes:

- (1) Cover page Expiration date
- (2) Schedule HI-Income Statement, clarified items 6.b.; 8.a.; footnotes
- (3) Schedule HI-A—Changes in Holding Company Equity Capital, clarified footnote
- (4) Notes to the Income Statement—Predecessor Financial Items, clarified footnote
- (5) Schedule HC—Consolidated Balance Sheet, clarified items 2.b.; footnotes
- (6) Schedule HC-B—Securities, discontinued item 7, clarified items item 8 and footnotes
- (7) Schedule HC-K—Quarterly Averages, clarified footnotes
- (8) Schedule HC-Q—Assets and Liabilities Measured at Fair Value on a Recurring Basis, clarified footnote
- (9) Schedule HC-R—Regulatory Capital, Part I clarified the following line items:
  - 9.a. to include “debt” to the description of available for sale securities,
  - 9.b. discontinued
  - 32, updated footnote reference
  - 41, discontinued
  - 42.a and 42.b., deleted references to item 41
  - 50.b, discontinued
  - 51 and 52, updated footnote references 1 and 2
  - added 54 a. b. c. 55;56;57;58;59;60;61;60

Instructions:

- (1) Schedule HI, Income Statement, removed references to ASU 2016-01 from General Instructions
- (2) Schedule HI, Income Statement, removed references related to ASU 2016-01 from and/or added clarifications to items 1.d, 1.d.3, 5.k, 5l, 6.a, 6.b, 8.a, and 8.c
- (3) Schedule HI, Income Statement, added clarifications to item 7.a
- (4) Schedule HI-A, Changes in Holding Company Equity Capital, added clarifications for item 12
- (5) Schedule HI-C, Disaggregated Data on the Allowance for Loan and Lease Losses, added clarifications to General Instructions in Parts I and II
- (6) Schedule HC, Consolidated Balance Sheet for Holding Companies, removed some references related to ASU 2016-01 from and/or added clarifications to items 2.b, 2.c, 6, 9, and 26.b
- (7) Schedule HC, Consolidated Balance Sheet for Holding Companies, added language to item 4.c to reference the "Allowance for Credit Losses" Glossary entry
- (8) Schedule HC-B, Securities, removed references to ASU 2016-01 from and/or added clarifications to General Instructions; also added clarifications for ASU 2016-13 in General Instructions
- (9) Schedule HC-B, Securities, removed references to ASU 2016-01 from and/or added clarifications to item 6.b
- (10) Schedule HC-B, Securities, replaced item 7 with "not applicable"
- (11) Schedule HC-B, Securities, clarified items 8 and M1
- (12) Schedule HC-C, Loan and Lease Financing Receivables, added clarifications for 1.a.1 related to loans secured by condominiums and cooperatives
- (13) Schedule HC-E, Deposit Liabilities, added clarifications for items 1.b, 1.c, 2.b, and 2.c related to Regulation D changes
- (14) Schedule HC-F, Other Assets, removed references to ASU 2016-01 from and/or added clarifications to item 4
- (15) Schedule HC-K, Quarterly Averages, removed references to ASU 2016-01 from and/or added clarifications to item 1.c and 5
- (16) Schedule HC-Q, Assets and Liabilities Measured at Fair Value on a Recurring Basis, removed references to ASU 2016-01 from and/or added clarifications to General Instructions
- (17) Schedule HC-Q, Assets and Liabilities Measured at Fair Value on a Recurring Basis, removed references to outdated FASB standards in Column Instructions
- (18) Schedule HC-Q, Assets and Liabilities Measured at Fair Value on a Recurring Basis, removed references to ASU 2016-01 from and/or added clarifications to item 1
- (19) Schedule HC-R, Regulatory Capital, removed references to ASU 2016-01 from and/or added clarifications to items 9, 9.a, 9.b, 29, 40.b
- (20) Schedule HC-R, Regulatory Capital, removed references to former FASB standards in item 9d
- (21) Schedule HC-R, Regulatory Capital, replaced item 41 with "not applicable"
- (22) Schedule HC-R, Regulatory Capital, added changes and clarifications related to the stress capital buffer rule in items 50, 51 and 52
- (23) Schedule HC-R, Regulatory Capital, added new line items related to the stress capital buffer rule in items 54.a, 54.b, 54.c, 55, 56, 57, 58, 59, 60, and 61
- (24) Schedule HC-R, Regulatory Capital, removed references to ASU 2016-01 from and/or added clarifications to Part II, items 2.b and 9.b
- (25) Schedule HC-V, Variable Interest Entities, removed references to former FASB standards General Instructions
- (26) Schedule HC-V, Variable Interest Entities, added clarifications to item 1.a

Glossary:

- (1) Accrued Interest Receivable, added clarifications for the third accounting policy election
- (2) Deposits, added clarifications related to Regulation D changes



- (3) *Securities Activities*, added clarifications related to ASU 2016-01. Also, removed some references to ASU 2016-01

### **Revisions to the FR Y-9LP for December 31, 2020**

#### Report form changes:

- (1) *Schedule PI—Parent Company Only Income Statement*, clarified items 3.a.; 3.b. and footnote
- (2) *Schedule PI-A—Cash Flow Statement*, clarified footnote
- (3) *Schedule PC-B—Memoranda*, clarified footnote

#### Instructions:

- (1) *Schedule PI*, clarified items 1.d., 3.a., 3.b
- (2) *Schedule PI-A*, deleted footnote
- (3) *Schedule PC-B*, deleted footnote

### **Revisions to the FR Y-9SP for December 31, 2020**

#### Report form changes

- (1) *Cover page*, added Confidentiality Check box
- (2) *Schedule SI—Income Statement*, clarified items 9.a.; 9.b. and footnote
- (3) *Schedule SC-M—Memoranda*, clarified footnote

#### Instructions

- (1) *General Instructions*, added Confidentiality Check box instructions
- (2) *Schedule SI*, clarified items 9.a. and 9.b.
- (3) *Schedule SC-M*, deleted footnote

## **Revisions to the FR Y-9ES for December 31, 2020**

### Report form changes:

- (1) *Cover page, added Confidentiality check box*

### Instructions:

- (1) *General Instructions, added Confidentiality Check box instructions*

## **Revisions to the FR Y-12 Report for December 31, 2020**

### Report Form Changes

- (1) *Schedules A and B: added column B, “Unrealized holding gains (losses) on equity securities not held for trading”.*
- (2) *Schedules A and B: Column C, renamed “All other unrealized holding gains (losses) on equity securities”.*
- (3) *Schedules A and B: Column D, renamed, “Carrying value”.*
- (4) *Schedule A: Column E is renamed, “Publicly quoted value”.*
- (5) *Added Confidentiality Check Box to cover page*
- (6) *Schedule A: Type of Investments and Schedule C: Type of Entity within the Banking Organization, removed references of ASU 2016-01 in footnote 1 that were applicable to institutions that had not yet adopted ASU 2016-01*

### Instructions:

- (1) *General Instructions, added Confidentiality Check box instructions*
- (2) *Column Instructions, added column instructions for added column B: Unrealized holding gains (losses) on equity securities not held for trading (Schedule A and C)*
- (3) *Column Instructions, added column instructions for renamed column C: All Other Unrealized Holding Gains (Losses) on Equity Securities (Schedule A and C)*
- (4) *Column Instructions, renamed column C: Carrying Value (for Schedules A, B, and C) to Column D: Carrying Value.*
- (5) *Column Instructions, renamed column D: Publicly Quoted Value (for Schedules A, B, and C) to Column E Publicly Quoted Value.*
- (6) *Column Instructions, removed references to ASU 2016-01 that were applicable to institutions that had not yet adopted ASU 2016-01.*

### Glossary:

- (1) *Added clarifications to the Acquisition Cost Glossary entry*
- (2) *Added clarifications to the Carrying Value Glossary entry*

### Edits:

- (1) *Added, archived, and removed several Validity & Quality Edit Updates (See attached FR Y-12*

*Summary of Edit Changes for December 2020 document)*

**Revisions to the FR 2314 for December 31, 2020**

Report form changes:

- (1) *Schedule IS – Income Statement, renamed the captions of items 8.a and 8.b*
- (2) *Schedule IS – Income Statement, clarified footnote 2*
- (3) *Schedule BS – Balance Sheet, renamed the caption of item 2.b*
- (4) *Schedule BS – Balance Sheet, clarified footnote 2*

Instructions:

- (1) *Schedule IS – Income Statement, removed references to ASU 2016-01 that were applicable to institutions that had not yet adopted ASU 2016-01 on items 6 and 8.b*
- (2) *Schedule IS – Income Statement, renamed captions of items 8.a and 8.b*
- (3) *Schedule BS – Balance Sheet, renamed captions of item 2.b*
- (4) *Schedule BS – Balance Sheet, removed references to ASU 2016-01 from items 2.b and 6 that were applicable to institutions that had not yet adopted ASU 2016-01*

**Revisions to the FR 2886b for December 31, 2020**

Report form changes:

- (1) *Schedule RI – Income Statement, renamed the captions of items 8.a and 8.b*
- (2) *Schedule RI – Income Statement, clarified footnotes 2 and 3*
- (3) *Schedule RC – Balance Sheet, renamed the caption of item 2.b*
- (4) *Schedule RC – Balance Sheet, clarified footnote 4*
- (5) *Schedule RC-B – Securities, deleted item 3 and the associated footnote*

Instructions:

- (1) *Schedule RI – Income Statement, removed references to ASU 2016-01 on items 1(a)(4) and 6*
- (2) *Schedule RI – Income Statement, renamed caption of item 8.a and 8.b*
- (3) *Schedule RI – Income Statement, removed references to ASU 2016-01 from the “Note” preceding item 8.b that were applicable to institutions that had not yet adopted ASU 2016-01*
- (4) *Schedule RI-A – Changes in Equity Capital, clarified the inclusion of available for “debt” securities in item 5*
- (5) *Schedule RC – Balance Sheet, clarified and removed references to ASU 2016-01 from items 2.b and 8 that were applicable to institutions that had not yet adopted ASU 2016-01*
- (6) *Schedule RC – Balance Sheet, clarified the inclusion of available for “debt” securities in item 24*
- (7) *Schedule RC-B – Securities, clarified the General Instructions*
- (8) *Schedule RC-B – Securities, deleted instructions for item 3*
- (9) *Schedule RC-D – Trading Assets and Liabilities, clarified the General Instructions*

**Revisions to the FR Y-11/FR Y-11S for December 31, 2020****Report form changes:**

- (1) *Schedule IS – Income Statement, renamed the captions of items 8.a and 8.b*
- (2) *Schedule IS – Income Statement, clarified footnote 2*
- (3) *Schedule BS – Balance Sheet, revised the caption of item 2.b*
- (4) *Schedule BS – Balance Sheet, clarified footnote 2*

**Instructions:**

- (1) *Schedule IS – Income Statement, removed references to ASU 2016-01 from items 1 and 6*
- (2) *Schedule IS – Income Statement, renamed captions of items 8.a and 8.b*
- (3) *Schedule IS – Income Statement, clarified and removed references to ASU 2016-01 from the “Note” preceding item 8.b that were applicable to institutions that had not yet adopted ASU 2016-01*
- (4) *Schedule BS – Balance Sheet and Off-Balance-Sheet Items, clarified item 2*
- (5) *Schedule BS – Balance Sheet and Off-Balance-Sheet Items, revised captions of item 2.b*
- (6) *Schedule BS – Balance Sheet and Off-Balance-Sheet Items, clarified and removed references to ASU 2016-01 from the “Note” preceding item 2.c and item 6 that were applicable to institutions that had not yet adopted ASU 2016-01*