



FEDERAL RESERVE BANK *of* ST. LOUIS

CENTRAL TO AMERICA'S ECONOMY®

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DATE: October 11, 2016

TO: Eighth District Holding Companies

SUBJECT: Consolidated Financial Statements for Holding Companies (FR Y-9C) and Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP) as of September 30, 2016

The final FR Y-9C and FR Y-9LP report forms and instructions effective for the September 30, 2016 reporting date are available on the Federal Reserve Board's public web site <http://www.federalreserve.gov/apps/reportforms/default.aspx>.

The Federal Reserve publishes holding company FR Y-9 report submissions on the internet at www.ffiec.gov/nicpubweb/nicweb/nichome.aspx. Data are published on a flow basis generally 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 institution.

REPORTING CENTRAL

All holding companies must submit their FR Y-9C and FR Y-9LP reports electronically using the Reporting Central data collection system.

The Reporting Central data collection system will subject the Holding Company's electronic data submission to validity edits that must be resolved before the data can be accepted. However, the requirement for supplying explanations for quality edits for the FR Y-9C and FR Y-9LP reports at the time of data submission has been removed. You are encouraged to provide quality edit explanations via email to any of the analysts listed below, or our Statistics shared inbox at stls.statandstructure@stls.frb.org. If you do not provide the edit explanations via email, Federal Reserve Bank staff will contact you regarding your edits.

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 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. Additional information about the Reporting Central application, including an online resource center is available at: <http://www.frb services.org/centralbank/reportingcentral/index.html>.

CONFIDENTIAL TREATMENT

One aspect of the transition to Reporting Central necessitates the Federal Reserve to modify its internal procedures for handling confidentiality requests for those institutions that submit data electronically. As noted above, individual respondent data collected on the FR Y-9C and FR Y-9LP are made readily available on the National Information Center public website. 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 more information on confidentiality requests, please see the FR Y-9C and FR Y-9LP 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 and FR Y-9LP forms has been published in the [Federal Register](#).¹ The implementation date for the new confidentiality check box procedures has not been determined. Institutions will be provided with ample notice so that they may prepare for submission of the new confidentiality check box requirements.

ADDITIONAL INFORMATION

On June 1, 2016, the Federal Reserve Board approved the proposal to require U.S. intermediate holding companies (IHCs) of foreign banking organizations (FBOs) to file certain reports under the Federal Reserve's Regulation YY.² Section 165 of the Dodd-Frank Act directs the Federal Reserve to establish enhanced prudential standards for bank holding companies (BHCs) and FBOs with total consolidated assets of \$50 billion or more. Hence, IHCs are required to file the FR Y-9C and FR Y-9LP beginning with the September 30, 2016, as-of date. The FR Y-9C and FR Y-9LP reporting forms, were updated to add the legal citation for U.S. Intermediate Holding Companies (Regulation YY) and the instructions for these reports were updated to add U.S. Intermediate Holding companies to the "who must report" section.

¹ 80 FR 52282 (August 28, 2015)

² 81 FR 35016 (June 1, 2016)

On September 8, 2016, the Federal Reserve published a *final* notice in the *Federal Register*³ for the FR Y-9C revisions originally proposed on December 2, 2015.⁴ **As a result, effective September 30, 2016, the FR Y-9C report form and instructions have been modified to:**

- (1) Eliminate items on Schedule HC-C, Memorandum items 1(f)(2), 1(f)(5), and 1(f)(6) on troubled debt restructurings in certain loan categories that are in compliance with their modified terms;
- (2) Eliminate items on Schedule HC-N, Memorandum items 1(f)(2), 1(f)(5), and 1(f)(6) on troubled debt restructurings in certain loan categories that are 30 days or more past due or on nonaccrual;
- (3) Eliminate items on Schedule HC-M, items 6(a)(5)(a) through (d) on loans in certain loan categories that are covered by FDIC loss-sharing agreements;
- (4) Eliminate items on Schedule HC-N, items 12(e)(1) through (4) on loans in certain loan categories that are covered by FDIC loss-sharing agreements and are 30 days or more past due or on nonaccrual;
- (5) Eliminate existing item 18(b) from Schedule HC-R, Part II which is no longer needed;
- (6) Raise from \$25,000 to \$100,000 the dollar portion of the threshold for itemizing and describing components of:
 - a. Schedule HI, memo item 6, “Other noninterest income;”
 - b. Schedule HI, memo item 7, “Other noninterest expense;”
 - c. Schedule HC-Q, Memorandum item 1, “All other assets;”
 - d. Schedule HC-Q, Memorandum item 2, “All other liabilities.”
- (7) Raise from \$25,000 to \$1,000,000 the dollar portion of the threshold for itemizing and describing components of “Other trading assets” and “Other trading liabilities” in Schedule HC-D, Memorandum items 9(b) and 10;
- (8) Add a \$10,000,000 threshold on Schedule HC-I, Part I line item 1 and HC-I, Part II line item 1;
- (9) Remove report form captions, instructional guidance and glossary information to eliminate the concept of extraordinary items consistent with ASU No. 2015-01, “Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items.”

Effective March 31, 2017, the FR Y-9C report form and instructions will be updated to:

- (1) Eliminate Schedule HI, Memorandum items 17(a) and 17(b), on other-than-temporary impairments;⁵
- (2) Update the instructions on HI 5(k) to clarify reporting of Net Gains (Losses) on Sales of, and Other-Than-Temporary Impairments on, Equity Securities That Do Not Have Readily

³ 81 FR 62129 (September 8, 2016)

⁴ 80 FR 75457 (December 2, 2015).

⁵ Institutions would continue to complete Schedule HI, Memorandum item 17(c), on net impairment losses recognized in earnings.

- Determinable Fair Values and update the report form caption to remove the parenthetical “(excluding securities)” and add in its place clarifying language in a footnote;
- (3) Increase the time deposit size threshold from \$100,000 to \$250,000 in Schedules HC-E and HI;
 - (4) Move the Memorandum items in Schedule HC-C, on the fair value and unpaid principal balance of fair value option loans to Schedule HC-Q;

In light of the comments received, the Federal Reserve has decided not to implement the proposed instructional revisions related to the reporting treatment for *Securities for Which a Fair Value Option is Elected* and *Home Equity Lines of Credit that Convert from Revolving to Non Revolving Status*. The existing instructions for these items will remain in effect.

Other report form and instructional changes to the FR Y-9C that are not related to the above proposals pertain to the Supplemental Leverage Ratio (SLR). Effective September 30, 2016 advanced approaches institutions are required to start reporting the SLR on Schedule HC-R Part I item 45. The FR Y-9C report form and instructions were updated to direct advanced approaches institutions to report the SLR that is reported on the FFIEC 101 report, Schedule A, Table 2, item 2.22 in item 45. Prior to September 30, 2016, the reporting of the SLR had been deferred.

Holding companies should review the Supplemental Instructions for information concerning accounting and reporting issues that may affect the FR Y-9 reports. Electronic copies of the Supplemental instructions, plus additional information regarding Regulatory Reporting can be found at <https://www.stlouisfed.org/bank-supervision/related-functions/financial-regulatory-reporting>.

DUE DATES

The FR Y-9C and FR Y-9 LP reports as of September 30, 2016, are due to this Reserve Bank no later than 5:00 p.m. on **Wednesday, November 9, 2016** and **Monday, November 14, 2016**, respectively.

ANALYSTS

For any questions or problems, please contact one of the analysts listed below at 1-800-333-0810:

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