

**Meeting Between Staff of the Federal Reserve System, Representatives of the Financial
Services Roundtable, Representatives of The Clearing House, and Various Industry
Participants
December 5, 2016**

Participants: Joseph Cox, Phillip Daher, Nuha Elmaghrabi, Michael Fisher, Amber Hay, Eric Kennedy, Hillel Kipnis, Laura Olsen, Richard Palmer, Nawsheen Rabbani, Langston Shaw, and Virginia Wall (Federal Reserve Board);

Jason Adams (Federal Reserve Bank of Chicago)

Daniel Collins and Larry Cordell (Federal Reserve Bank of Philadelphia)

See Appendix A for a list of industry participants.

Summary: Staff from the Federal Reserve Board, Federal Reserve Bank of Chicago, and the Federal Reserve Bank of Philadelphia met with representatives and members of the Financial Services Roundtable, The Clearing House, and industry participants to discuss the Federal Reserve's recent and ongoing data collection efforts, including the FR Y-14 series reporting forms. The attached presentation (Attachment A) was distributed at the meeting and reflects the scope of items that were discussed.

Attachments

Attachment A



Continuing the FR Y-14 Reporting Dialogue

Discussion Document
Washington, D.C.
December 5, 2016

Today's Agenda

Common goals and today's objectives	2
Current CCAR NPR for preliminary observations and questions on reporting requirements and continuing reporting relief	3-7
Continuing process improvements	8
<ul style="list-style-type: none"> • Timing of technical instructions • Refining of edits 	
Additional conversation on recent clarification to Schedule H (C&I/CRE)	
<ul style="list-style-type: none"> • Responding to edit exceptions on fronting exposures 	10-13
<ul style="list-style-type: none"> • Exposures in syndicated pipeline 	14
<ul style="list-style-type: none"> • Disposition reporting 	15-16
<ul style="list-style-type: none"> • Additional topics 	17-19
Discussion of next steps / closing remarks	20
Appendix	21-23

Common Goals and Today's Objectives

We share one common goal

The continuing goal of this FR Y-14 dialogue is to enhance the quality and integrity of risk reporting data submitted to the Federal Reserve and meet the evolving data needs in a responsive, efficient, and risk-sensitive way.

Goals for Today's Meeting

- Discuss current CCAR NPR to allow for an open dialogue on preliminary observations and to seek answers to questions on reporting requirements and continuing reporting relief.
- Review / provide any updates on the previously communicated priorities, specifically the timing of technical instructions and refining of edits.
- Continue the discussion on Federal Reserve requested topics, including but not limited to upcoming FR Y-14 changes, the transition to XML, and any new information on the edit check process.
- Discuss the recent clarifications to Schedule H (C&I/CRE).
- Agree and establish next steps.

**We note that there are a variety of other important issues related to the capital planning process (attestation requirements, de minimis capital distributions, the definition of "large and noncomplex" firm etc.) that are outside the scope of today's meeting on the FR Y-14 information collection. CCAR participants, however, would appreciate the opportunity to discuss these items at a future date.

2

FR Y-14 Reporting Issues Raised by CCAR NPR

Support elimination of qualitative review for "large and noncomplex" firms.

- "Macroprudential" regulation should be appropriately tailored to the relative risk profile, business model, and other risk-related criteria of firms.
- Utilizing the normal supervisory review to assess a firm's capital planning process permits "real time" feedback by those who are responsible for evaluating the firms on a regular basis.
- Removing the qualitative objection from CCAR would reduce much of the uncertainty currently associated with the capital planning process, and could meaningfully reduce the associated burden on "large and noncomplex" firms, which currently must develop and maintain substantial data collection, reporting, governance, and other processes and procedures due to the qualitative portion of CCAR.

5

FR Y-14 Reporting Issues Raised by CCAR NPR

Clarification regarding the supervisory and review process and documentation requirements for firms no longer subject to qualitative assessment.

- The Federal Reserve should confirm the normal inspection program for firms will apply to horizontal reviews related to the capital planning process, including delivery of a first day letter at least 60 days in advance, standard procedures for communications with management and directors, and standard procedures and timelines with respect to supervisory findings and MRAs.
- "Large and noncomplex" firms should not be required to complete the separate methodology documents (e.g., supporting methodological documentation for PPNR, Retail, Wholesale and other estimates) to the applicable schedules of FR Y-14A, as these documents relate to the qualitative assessment and are not necessary for the Federal Reserve to conduct the quantitative review.
 - Absent a specific request relating to a matter of particular importance, "large and noncomplex" firms should not be expected to prepare or provide documents of similar scope and content as these areas can – and should – be assessed through regular supervisory and examination processes.
 - The Federal Reserve should clarify the timeframe for "large and noncomplex" firms to produce the model-related documentation once they receive a request from the Federal Reserve to do so.
- Any targeted horizontal review should be patterned after existing reviews (e.g. SNC and CLAR), with a narrow scope and sufficient time to prepare.

4

FR Y-14 Reporting Issues Raised by CCAR NPR

FR Y-14A Regulatory Capital Transitions Schedule should not be required for any firm.

- Other schedules in capital plan submissions will provide sufficient information for the Federal Reserve to assess a firm's transition toward full compliance with the Federal Reserve's capital adequacy rules.
- The planning horizon for the 2017 CCAR cycle will include the first quarter of 2019. As of January 1, 2019, the transitional provisions in the Federal Reserve's capital adequacy rules will be fully phased in, other than the phase out of non-qualifying capital instruments from Tier 2 capital of advanced approaches firms.

FR Y-14A Retail Exposures Schedule and several additional schedules and sub-schedules should not be required for any CCAR firm.

- The proposal would eliminate Retail Repurchase Projections Worksheet from Y-14A Summary for "large and noncomplex" firms. This schedule should not be required for any CCAR firm based on same policy considerations Federal Reserve acknowledges apply to "large and noncomplex" firms (i.e., burden exceeds benefit). In addition, the Retail Repurchase Exposures Schedule should be eliminated for all CCAR firms as well as the following schedules:
 - The PPNR Metrics Worksheet covers data, such as staffing levels, that are not material to the balance sheet.
 - The Retail Balance & Loss Projections Worksheet provide little incremental information beyond what is currently provided in the balance sheets and income statement.

5

FR Y-14 Reporting Issues Raised by CCAR NPR

The Form FR Y-14A reporting requirements relating to the adverse scenario should be reduced for all firms.

- To appropriately balance the burdens and benefits of reporting requirements, we recommend that, for the adverse scenario, the Federal Reserve permit firms to provide only final projected capital ratios and other required items as of the end of the nine-quarter planning horizon and not quarter-by-quarter over the planning horizon.
- We also recommend that the Federal Reserve reduce the related supporting documentation requirements so firms can focus resources on the baseline and severely adverse scenarios, which receive the most attention from supervisors.

For all firms, (i) the Form FR Y-14M Schedules should be required on a quarterly basis, with data provided as of quarter-end, and (ii) the Form FR Y-14Q Schedules A.2 – US Auto Loan, A.7 – US Other Consumer and A.9 – US Small Business should be aligned so that data is reported as of quarter-end.

- Moving the monthly retail schedules to a quarterly basis would significantly lessen the reporting burden placed on firms, provided these schedules are reported with a quarterly “as of” date, while moving to a quarterly schedule but still requiring three months of data would have minimal impact.

5

FR Y-14 Reporting Issues Raised by CCAR NPR

The proposal's adjustment to the timeframe by which the capital plan and stress test rules may become initially applicable to a firm would improve the workability and efficiency of the CCAR framework, and should be retained in any final rule.

- This adjustment would facilitate communication between the Federal Reserve and affected firms and also help those firms to better prepare for participation in CCAR by granting them additional time to comply with the requirements, which would enhance the quality and integrity of the exercise for all stakeholders.

We support the proposed changes surrounding the increase of the materiality threshold for reporting an FR Y-14 schedule.

- We suggest that the final rule should clarify that institutions will only be required to report prospective (and not historical) data in the event that they cease reporting an immaterial portfolio but subsequently resume reporting such a portfolio due to crossing the materiality threshold.

We support using the median as opposed to the 75th percentile lost rate for supervisory loss projections.

- Finalizing this proposal will help ensure “large and noncomplex” institutions are not discouraged from using the increased materiality threshold.

7

Continuing Process Improvements

BHC's recognize and appreciate the response and progress made to-date by the Federal Reserve on key topics raised in past discussions. We appreciate the opportunity to continue to collaborate on the following items of interest:

- **Timing of Technical Requirements:** Taking steps to avoid or reduce technical reporting requirements changes made after the start of the reporting cycle.
- **Limiting Technical Instruction:** Consider limiting technical instruction and edit check changes to 2x per year (June and December).
- **Central Point of Contact:** Can a central point of contact be established for all technical issues and edit check discrepancies?
- **Edit Check Improvements, consider:**
 - Developing thresholds for quarterly Edit Checks.
 - Slight increase in thresholds for 14M schedules will provide operational lift.
 - Applying Permanent Exception status used for the 14M's on the quarterly schedules.
 - Increasing threshold for reporting banks and develop a risk-based approach for those above requirements.
- **Published Documents:** Can published documents be provided in MS Word / Excel?

Additional Conversation on Schedule H (C&I/CRE)

I. Fronting Exposure

II. Exposures in Syndicated Pipeline Reporting

III. Disposition Reporting

IV. Additional Topics (if time)

Schedule H (C&I/CRE): Fronting Exposure

Identification of Fronting Exposure

1. Would all syndicated/participated letter of credit or swingline facilities where the BHC is the issuing bank be considered for reporting of fronting exposure, including where an executed note exists between the participating bank and the borrower for each participating banks share?
2. Most of the examples of fronting exposure provided in the instructions and FAQs involve swingline or letter of credit sublimits under a syndicated/participated commitment. One of the examples of reportable fronting exposure the Fed describes is a \$400MM transaction in which the BHC holds a 10% share. Included under this \$400MM commitment is a \$50MM sublimit where the BHC "has an obligation to advance on behalf of lending group participants". The instruction/FAQ goes on to indicate that the BHC should report the 90% of the \$50MM sublimit it does not "own" as fronting exposure, but not the 90% of the overall commitment. If this transaction is set up as a typical syndication with each participant executing a note directly with the borrower for each sublimit and each is covered by those documents, then why would there be fronting exposure for the agent bank under the sublimit but not under the rest of the transaction? In both cases, the agent Bank could be "advancing on behalf of lending group participants".
3. Are there other obligations that should be considered for fronting exposure besides letters of credit and swingline loans?
4. If a non-agent BHC is an letter of credit issuer, but the legal documentation provides that any letter of credit issued by the BHC is immediately 100% participated back to the agent bank, would this constitute fronting exposure?

10

Schedule H (C&I/CRE): Fronting Exposure

Reporting of Fronting Exposure

1. To the extent that there are multiple portions of one overall commitment (e.g. a letter of credit sublimit and a swing line sublimit) that create fronting exposure, do we aggregate the fronting exposure for each participating bank and report one fronting exposure facility per participant, or would we need to report the letter of credit and swing line portions separately. Consider the following scenario:

	Committed Global Exposure (Field 24)	Utilized Global Exposure (Field 25)
Overall Facility	360,000,000	236,000,000
BHC (21%)	75,600,000	47,460,000
Participant Bank 1 (30%)	108,000,000	67,800,000
Participant Bank 2 (30%)	108,000,000	67,800,000
Participant Bank 2 (19%)	68,400,000	42,940,000
Sub-Limits		
Letter of Credit #1	234,000,000	15,600,000
Letter of Credit #2	234,000,000	3,710,000
Swingline #1	20,000,000	-
Swingline #2	21,800,000	-

Given that current reporting of the BHC exposure is at the overall (aggregated) facility level, which of the three following examples accurately describe how the BHC should report?

Option 1* – Report aggregated Fronting Exposure aggregated for each participating bank. For the example provided, this would result in 3 fronting facilities being reported.

Option 2* – Report fronting exposure separately for each participating bank & commitment. For the example provided, this would result in 12 fronting facilities being reported.

Option 3* – Report aggregated Fronting Exposure for each participating bank and commitment type (ex letter of credit, swingline). For the example provided, this would result in 6 fronting facilities being reported.

*Additional detail for each option is included in the appendix to this document.

11

Schedule H (C&I/CRE): Fronting Exposure

Reporting of Fronting Exposure (Continued)

- Where the BHC is the issuer of the Letter of Credit or lender of a swingline facility, but the exposure is fully participated back to the lead/agent bank or to other participating banks, does the scenario below accurately reflect how the Fronting Exposure should be reported?

OPTION 1 - Fronting Facility		Committed Exposure Global (Field 24)	Utilized (Field 25) Exposure Global
Other Bank 1 (100%)	OB1 - HLP	50,000,000	-

Since the BHC isn't the lead/agent bank for the overall lending facility, how are fields that are to be taken from the BHC facility to be populated.

- Field 22 – Credit Facility Purpose
- Field 26 – Line Reported on FRY9-C
- Field 37, 38, 39, 40, 41, 42, 43 – Interest Rate Fields
- Field 36, 93 – Collateral Fields
- Field 87 – SNC Internal Credit Id

Additional Questions

- Populating of Field 26 – Line Reported on FRY9-C
 - How should this be populated? Is this populated with the value from the BHC (overall commitment) facility? Does this cause a reconciliation issue?
- Is the assumption that charge offs, reserves, etc. (Fields 28, 30, 31) are ONLY reported for BHC share?

12

Schedule H (C&I/CRE): Fronting Exposure

Additional Questions (Continued)

- If the credit agreement is worded such that the swing line bank cannot fund against the swing line, if by doing so the resulting balance would cause the bank's commitment to exceed their pro-rata share of the facility, is that swing line commitment still reportable as fronting exposure?

Global Commitment \$100,000,000
Swing line limit \$25,000,000

Four Members	%	Commitment
Bank A (also swing line lender)	35%	\$35,000,000
Bank B	25%	\$25,000,000
Bank C	20%	\$20,000,000
Bank D	20%	\$20,000,000

Customer has pro-rata advances on the \$100,000,000 of \$60,000,000.

Bank A would have \$21,000,000 outstanding balance. The swing line advances would be limited to \$14,000,000 by the credit agreement. Therefore, there is no exposure in the credit beyond the \$35,000,000 represented by Bank A's pro-rata share.

- If the credit agreement contains language that the funding of a swing loan is at the sole discretion of the swing line lender, is the exposure of that swing limit still considered fronting exposure?

13

Schedule H (C&I/CRE): Syndicated Pipeline

Syndicated Pipeline

1. If a BHC uses a term sheet to negotiate the terms of a syndication, is the deal considered single signed even absent the commitment letter?
2. For a syndication pipeline deal where the BHC is refinancing or extending an existing syndication with no increase in exposure, should that be included in the submission?
3. If there is a syndication pipeline deal which involves a refinance of existing deal(s) with an increase, should the BHC only report the increase?
4. Please confirm that when reporting exposures for these Syndicated Pipeline Facilities, we report the amount referenced in the commitment letter and an outstanding of \$0 until if and when the deal is booked (Syndicated Loan Flag = 1 or 2). Once booked but prior to settlement with all the participants (Syndicated Loan Flag = 3), should we be reporting our current share of the syndicated commitment balance and outstanding, which would include portions that we have not yet but still intend to participate out? This is what we are doing currently, as it would match the balances reported on G/L and the FR Y-9C.
5. If there is a syndication pipeline deal which includes sensitive information (information restricted by the SEC due to pending mergers, acquisitions, etc.), it is acceptable to disclose the CCAR data elements without masking them because they are covered by the regulatory submission confidentiality rules.
6. Edit check related: The instructions state that the participation interest on syndication pipeline records should be NA, what should be reported in the participation flag?

14

Schedule H (C&I/CRE): Disposition Reporting

Disposition Reporting

Exactly what financial balances should be zeroed out on a disposed facility? Should this include the charge-off balance on disposed loans that have been involuntarily liquidated (Disposition Flag = 3)? Today we are zeroing out all balance fields so as to avoid any reconciliation issues, as these disposed loans no longer belong on the schedule.

Disposition Reporting: Edit Checks

It is understood that the continuing plan is to run all edit checks against the disposed loans. Why is this necessary when the primary reason (we believe) for adding them back to the schedule is to indicate why they are no longer being included on that schedule? This creates extra work for all parties to run and have to respond to edit checks on disposed loans. Below is a summary of Edit Checks that could be reviewed for applicability for loans that are disposed.

C&I Schedule:

1. Edit checks comparing obligor level information on disposed loan to information on an active loan. For the disposed loan, the information provided is as of the disposed date, while the active loan will have more current information. This can occur where the review process for new and active loans takes place after the disposal date of a loan.
 - #106 – Obligor Name
 - #107 – City
 - #108 – Country
 - #111 – ZipCodeForeignMailingCode
 - #115 – IndustryCode - City

15

Schedule H (C&I/CRE): Disposition Reporting

Disposition Reporting: Edit Checks (cont.)

C&I Schedule (cont.):

2. Validity Check #127 – Maturity Date prior to Quarter End date. For a matured loan disposed as result of a payoff, this would be valid. This is the Maturity Date of the loan on the date the loan was disposed.

CRE Schedule:

1. Edit check #115 – Data Quality Edit Check for Committed Balance vs Prior Quarter. For disposed loans with a zero balance (Disposition Flag = 1,2,3,4,5), this Edit Check will always fail.
2. Edit checks comparing information on disposed loan to information on cross collateralized loan. For the disposed loan, the information provided is as of the disposed date, while the active loan(s) will have more current information. This can occur where the review process for new and active loans takes place after the disposal date of a loan. Examples are:
 - #164 – Current Net Operating Income
 - #172 – Current Value
3. Reporting of loans less than \$1MM on the CRE Schedule – For disposed loans that were less than \$1MM in prior quarter, edit checks are failing for fields that are not mandatory.
 - #304 – Participation Interest
 - #307 – Leveraged LoanDisposition Flag = NULL for loans less than \$1MM – this field is optional.

16

Schedule H (C&I/CRE): Additional Topics

Floorplan Equity Balances

In a recent FAQ it was communicated that we should be reporting outstandings on dealer floorplan facilities gross of any dealer holdback/equity balances. (i.e. do not net out the equity balances). As noted in the FAQ, this will result in a reconciliation difference with the FRY9C where equity balances are netted out. Please explain the rationale behind this reporting difference between the FRY-9C and the wholesale corporate loan schedule.

CIL Edit Check #474: Participation Interest

Participation Interest has been created to fail when Syndicated Loan Flag is equal to "0" and Participation Interest is not equal to "1".

Recent FAQ advises that the Syndicated Loan Flag should only be populated with a value other than zero for syndications "when the bank has signed the commitment letter and extended terms to the borrower".

The instructions for Participation Interest field advise this should be populated "for participated or syndicated credit facilities that have closed and settled". We should "report the percentage of the total loan commitment held by the BHC" regardless of whether we are the lead or participant in the deal.

Therefore, for either participations or syndications, regardless of whether we are a lead or participant, we are populating the Participation Interest field. Essentially, when the Participation Flag is populated with a value other than "0" (No), we report the participation interest, except for Fronting Exposures. Therefore, there would be situations where we would not have populated the Syndicated Loan Flag with a value other than "0" but are reporting Participation Interest with values other than "1".

17

Schedule H (C&I/CRE): Additional Topics

Population Split Between H1 (C&I) and H2 (CRE) and Mapping to Y9C Classifications

Can we report loans secured by real estate, but to technical State and Political Subdivision borrowers on H2? Per the current FRY14Q instructions, these loans would be included in H1.

We feel that H2 makes more sense for these exposures. This is similar to the logic that allows for CRE-Owner Occupied to be reported on H1. CRE-Owner Occupied are secured by real estate and reported as on the FRY9C schedules as loans secured by real estate. However, these loans are currently reported in H1 in FRY14Q.

If we continue to have to report these types of loans on H1, we would like instructions on how to deal with data gaps for certain fields due to the risk management being more aligned with H2 data.

Purpose Codes – Lines 22 and 23

Credit agreements (not secured by real estate) typically include several options for borrowers to use the proceeds (e.g. debt acquisition, working capital, & general corporate purpose):

1. If a facility may have more than one purpose for the proceeds, what should we use in line 22 and 23 (if applicable)?
2. What is the difference between general corporate purpose and the 2 types of working capital options for line 22?

18

Schedule H (C&I/CRE): Additional Topics

Missing and Incomplete Documentation

1. For loans not originated by the firm, but consolidated by the firm per FAS 167 consolidation guidance for variable interest entities, we may not have data for certain fields (e.g., client financials). What is the best approach for missing data for these types of exposures?
2. For pending commitments, some information required is not yet available due to the "pending" nature of the credit agreement. What is the best approach for missing data for these types of exposures?

Aggregation Guidance for Multiple Facilities to a Single Borrower

For instances where a credit agreement includes 2 or more facilities, we have been reporting them as separate facilities to allow for distinct terms to be reported. If there are multiple draws under one facility, we would aggregate the draws under the single facility, but want to understand rationale behind feedback received during the exam where we would need to combine facilities on one line.

19

Discussion of Next Steps / Closing Remarks

- Understanding of Federal Reserve's organizational structure and process post-upload from FIs.
- Results of horizontal exams for best practices.
- Timing of possible other changes to the CCAR process.
- Suggested topics for future meetings.

20

Appendix

Appendix

21

Appendix: Schedule H (C&I/CRE): Fronting Exposure

Additional Detail

Reporting of Fronting Exposure

Option 1 – Report aggregated Fronting Exposure aggregated for each participating bank. For the example provided, this would result in 3 fronting facilities being reported.

OPTION 1 - Aggregated Facility		Committed Global Exposure (Field 24)	Utilized Global Exposure (Field 25)
BHC (21%)	BHC (21%)	75,600,000	47,460,000
Participant Bank 1 (30%)	OB1 - HLP	108,000,000	67,800,000
Participant Bank 2 (30%)	OB2 - HLP	108,000,000	67,800,000
Participant Bank 2 (19%)	OB3 - HLP	88,400,000	42,940,000

Option 2 – Report fronting exposure separately for each participating bank & commitment. For the example provided, this would result in 12 fronting facilities being reported.

OPTION 2 - Individual Fronting Facilities		Committed Exposure Global (Field 24)	Utilized Exposure Global (Field 25)
BHC (21%)	BHC - HLP	75,600,000	47,460,000
Other Bank 1 (30%)	PB1 - LOC1	70,200,000	4,680,000
Other Bank 2 (30%)	PB2 - LOC1	70,200,000	4,680,000
Other Bank 3 (19%)	PB3 - LOC1	44,460,000	2,964,000
Other Bank 1 (30%)	PB1 - LOC2	70,200,000	1,113,000
Other Bank 2 (30%)	PB2 - LOC2	70,200,000	1,113,000
Other Bank 3 (19%)	PB3 - LOC2	44,460,000	704,900
Other Bank 1 (30%)	PB1 - SL#1	6,000,000	-
Other Bank 2 (30%)	PB2 - SL#1	6,000,000	-
Other Bank 3 (19%)	PB3 - SL#1	3,800,000	-
Other Bank 1 (30%)	PB1 - SL#2	6,540,000	-
Other Bank 2 (30%)	PB2 - SL#2	6,540,000	-
Other Bank 3 (19%)	PB3 - SL#2	4,142,000	-

22

Appendix: Schedule H (C&I/CRE): Fronting Exposure

Additional Detail

Reporting of Fronting Exposure

Option 3 – Report aggregated Fronting Exposure for each participating bank and commitment type (ex letter of credit, swingline). For the example provided, this would result in 6 fronting facilities being reported.

OPTION 3 - Fronting Facilities by Facility Type		Committed Exposure Global (Field 24)	Utilized Exposure Global (Field 25)
BHC (21%)	BHC - HLP	75,600,000	47,460,000
Other Bank 1 (30%)	PB1 - LOC	140,400,000	5,793,000
Other Bank 1 (30%)	PB1 - SL	12,540,000	-
Other Bank 2 (30%)	PB2 - LOC	140,400,000	5,793,000
Other Bank 2 (30%)	PB2 - SL	12,540,000	-
Other Bank 3 (19%)	PB3 - LOC	88,920,000	3,668,900
Other Bank 3 (19%)	PB3 - SL	7,942,000	-

23



BOARD OF GOVERNORS *of the* FEDERAL RESERVE SYSTEM

Continuing the FR Y-14 Reporting Dialogue Potential FR Y-14 2017 Updates

Providing Feedback

Methods of providing feedback:

- During this session
 - High level feasibility or timing
 - Overarching considerations
- Via designated Reserve Bank contacts
- During the comment period
 - Very specific comments
 - Include details regarding potential issues or concerns
 - Alternatives or suggestions are particularly helpful

Staff Draft



3

Providing Feedback

Methods of providing feedback:

- During this session
 - High level feasibility or timing
 - Overarching considerations
- Via designated Reserve Bank contacts
- During the comment period
 - Very specific comments
 - Include details regarding potential issues or concerns
 - Alternatives or suggestions are particularly helpful

Staff Draft

3



Proposed new collections of data on the FR Y-14

- Business Plan Changes on the FR Y-14A
 - Pre-acquisition information
 - New sub-schedule/schedule
- Wholesale on the FR Y-14Q
 - Add item to report Entity TIN
 - Formalizing the collection of information related to business and internal ratings on new sub-schedules
- Counterparty information on the FR Y-14Q
 - Additional tables for CVA, derivative exposure, CCPs, and exchanges

Staff Draft

4



Alignment and Consistency: FR Y-14A

- Alignment of FR Y-14A, Schedule A.1.d (Capital) non-significant investments with FR Y-9C definition
- Eliminate threshold for FR Y-14A, Schedule A.7 (PPNR)
- Incorporating FAQ responses into definitions on FR Y-14A, Schedule A.3 (Securities)

Staff Draft



Alignment and Consistency: FR Y-14Q

- Clarify "Comments" and "Instrument Type" instructions on Schedule C (RCI)
- Re-align vintage buckets on the Schedule F (Trading)
- Several changes on Schedule H (Wholesale)
 - Enhancing reporting of fronting exposures
 - Definitional clarifications
- Expand scope of Schedule J (FVO/HFS) to eliminate reporting gap within the FR Y-14
- Alter and otherwise simplify reporting structure on Schedule L (Counterparty)

Staff Draft



Alignment and Consistency: FR Y-14M

- Collect the RSSD ID of any chartered national bank that is under the BHC or IHC reporting the FR Y-14M
- Break out cycle-ending balance and month-ending balance on Schedule D (Credit Cards)

Staff Draft

7



Frequency and Thresholds

- Global Market shock modifications and associated adjustment of Trading and Counterparty thresholds on the FR Y-14
- Transition of the existing FR Y-14Q Schedule F (Trading) to a monthly collection

Staff Draft

8



Upcoming XML Transitions

- Schedules remaining to transition:
 - FR Y-14A, Schedule B (Scenario)
 - FR Y-14A, Schedule C (RCI)
 - FR Y-14A, Schedule D (RCT)
 - FR Y-14A, Schedule E (Ops Risk)
 - FR Y-14Q, Schedule I (MSR)
- Anticipate finishing transitions sometime in 2018
- Assessing feasibility of transitioning one or more schedules the same year

Staff Draft



Appendix A

List of Participants

December 5, 2016

Attendees

Ally Financial

Steven Brazzell
Brandon Long

Bank of America

Tracy Bower
Amy Eccleston
Jason Gildea
Gregory Todd

BBVA Compass

Andrew Busby

BMO Harris Bank

Kent Luken

Board of Governors

Joseph Cox
Phillip Daher
Nuha Elmaghrabi
Michael Fisher
Amber Hay
Eric Kennedy
Hillel Kipnis
Laura Olsen
Richard Palmer
Nawsheen Rabbani
Langston Shaw
Virginia Wall

Capital One

Greg Frese
Paul Glowinski
Charles Johnston
Michael Reasor

Citibank

Caitlin Connell
Larissa Conrado
Edson Komatsu
Mary Grace Ocampo
Sandra Wilson

Fifth Third Bank

Nicholas Ehlert
Nick Volpenhein

Financial Services Roundtable

Richard Foster
Robert Hatch

FRB Chicago

Jason Adams

FRB Philadelphia

Daniel Collins
Larry Cordell

Huntington Bank

Cheryl Clevenger
Shelley Johnson

JP Morgan Chase

Essya Hanachi
Carl McKay

M&T Bank

Don Kulle
Tosha Towe
David Zolnowski,

Protiviti

Ken Cassidy

State Street

Dan Murphy
Marianna Tkacheva

Sullivan & Cromwell

Ben Weiner

SunTrust

Charles Darden
Paula Maddox
John Marmolino

Jennifer Stancil

TD Bank

Charles Harris
Anne Lehner

The Clearing House

Emma Hunt
David Wagner

US Bank

Sherri Bourdon
Dora Fickinger
Luke Haber
Amy Proshek
Wendi Smallidge

Wells Fargo Bank

Derek Howatt

Wilson Consulting

Gregory Wilson

