



September 4, 2012

Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551
Attention: Jennifer J. Johnson, Secretary

Re: Proposed Agency Information Collection Activities – OMB 7100-0341

Ladies and Gentlemen:

I am writing on behalf of Regions Financial Corporation (“Regions”) to comment on the proposed changes to the Data Collection requirements of the Comprehensive Capital Analysis and Review (“CCAR”) referenced above. Regions supports the goal of the CCAR process to help ensure that large banks have strong, enterprise-wide risk measurement and management processes supporting their internal assessments of capital adequacy. Regions further appreciates that this process is evolving and that both the Federal Reserve and the industry will need to continue to adapt as this process evolves. However, after thoughtful review of the most recent proposed FR Y-14A, FR Y-14M, and FR Y-14Q reporting forms and the accompanying instructions, Regions has two primary concerns with the requirements as proposed. First, while Regions appreciates the importance of providing additional data to enhance the ability of the Federal Reserve to effectively accomplish their supervisory responsibilities, the significant expansion of the data requirements should be carefully examined by the Federal Reserve in order to determine whether more time should be allowed for implementation. Second, Regions strongly believes that the Federal Reserve should reevaluate the necessity of the attestation requirement of the Chief Financial Officer (“CFO”). However, if the Federal Reserve decides to adopt the attestation requirement, Regions recommends that the effective date be postponed until there is greater stability regarding the templates for which the attestation is required, and that no attestation should be required for forecasted data.

Since the 2010 Supervisory Capital Assessment Program (“SCAP”) was introduced to the 19 selected bank holding companies, the process has grown into a comprehensive supervisory tool. Included within this expansion has been the addition of new templates, significant modifications to existing templates, and increases in the frequency of reporting. In a relatively short period of time, an annual process beginning in late 2010 to determine a bank’s capital levels in a stressed scenario has evolved into a data collection process involving monthly, quarterly and annual schedules ranging from descriptions of capital instruments to granular loan data and detailed forecasting. While banks have begun to build the necessary infrastructure to better support these efforts, much of the effort requires manual processes outside of those covered by internal controls over the core financial reporting infrastructure. Moreover, stability and certainty in the data requests is needed before this efficiency and effectiveness can be maximized.

As the data collection efforts have increased in scope, Regions is becoming increasingly concerned that the continued expansion of these efforts and the continuing evolution of the templates will adversely impact the ability of banks to build effective processes to support these requirements. Although Regions recognizes that collecting industry data is an important component of the Federal Reserve's supervisory mandate, we believe that the pace of change with regard to these templates should be moderated. This will allow banks to invest in more efficient internal processes which in the end will make these efforts more effective for both the industry and the Federal Reserve.

Regions has several concerns with regard to the proposed CFO attestation requirement. Regions recognizes that such requirements exist today for Internal Control over Financial Reporting as provided for under Section 404 of the Sarbanes-Oxley Act ("SOX") and the FR Y-9C. However, the Company believes there are several material differences in the standards underlying these processes. Perhaps most importantly are the attestation standards promulgated by the Committee of Sponsoring Organizations ("COSO") that provide the basis for SOX attestation over financial reporting, the general ledger and the primary books and records that support external reporting. On a related basis the FR Y-9C primarily consists of financial results for the current quarter, many of which are able to be reconciled to the bank's general ledger. Chief Financial Officers have obtained a level of comfort over the FR Y-9C process through a combination of familiarity with the reports, sufficient time to develop processes, clear guidance, and the ability to reconcile data to the primary books and records and other SEC filings. Given the granular level of the CCAR data related to information that is not recorded on the general ledger, it would be extremely challenging for the CFO to ensure that all data has been validated outside of general controls and system validations. Also, given the relatively short time these schedules have been available, banks need additional time to develop appropriate reconciliation procedures to provide additional controls regarding data submitted.

Also, banks still need considerable guidance from the Federal Reserve in the population of the templates. Due to ongoing process improvements, the industry continues to be forced to make assumptions on data submissions, resulting in a series of re-submissions for which the CFO should not be compelled to attest. Compared to similar regulatory forms, such as the FR Y-9C (which has over 500 pages of detailed instructions), there is still considerable work to be done by both the Federal Reserve and the industry to make this a more effective process. Also, unlike similar major legislative reforms, such as Sarbanes-Oxley, where industries were provided time to effectively comprehend new and significant requirements, banks have had insufficient notice to develop their internal processes and systems and staff to the level needed. The amount of resources and level of controls required is still a critical unknown as schedules are continually modified and added.

Regions has other concerns regarding attestation of the submissions that pertain to specific aspects of the process. Regions strongly believes that if the attestation requirement is adopted, all forecasted information should be exempt from the attestation. Forecasted data by definition is subject to considerable variability given the assumptions required at the time a forecast is created.

Additionally, Regions acknowledges the Federal Reserve's desire to ensure accuracy within the CCAR data collection submissions but stresses that the incentive for banks to report accurate and complete data already exists within the current submissions. Banks ultimately desire to return maximum value to their shareholders, and the distribution of capital is a key component of that strategy. The necessity of obtaining approval of the capital plan from the Federal Reserve provides more than sufficient motivation for banks to submit the most accurate data as possible and to continue to develop the supporting processes. Also, given that the Federal Reserve has adopted processes to compensate for absent data (such as incomplete loan portfolio submissions) in the stress test by assuming higher loss rates than

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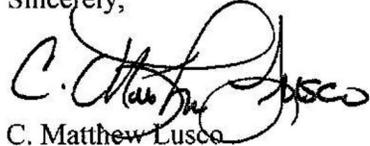
Page 3

normally would be applicable, the banks are actively working to deploy the necessary resources to fill as many gaps in the submission process as possible.

Again, Regions is appreciative of this opportunity to comment on these proposals. The Company is supportive of the Federal Reserve's considerable efforts to strengthen the financial services industry but does have several concerns with the proposals as written. Regions believes that the effective date of the changes should be postponed. This will allow banks time to invest in people, processes and technology as well as test control frameworks that will increase the efficiency and effectiveness of the process. Moreover, it may allow more time for data requests to become more standardized and predictable. Regions does not believe that CFO attestation should be required. However, if the Federal Reserve decides to adopt such a requirement, the effective date should be delayed until the templates become more defined, and in any case, attestation should not be required for forecasted data. Regions looks forward to continuing to work with the Federal Reserve on these very important processes.

I am available should you have any questions regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Matthew Lusco". The signature is stylized and written over a printed name.

C. Matthew Lusco