

Ameriprise Financial, Inc.  
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Minneapolis, MN 55474



October 28, 2011

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

Re: Proposed Agency Information Collection Activities  
Federal Reserve Docket No. 2011-21736

Dear Ms. Johnson:

Ameriprise Financial, Inc. (“Ameriprise Financial” or “Ameriprise”) appreciates the opportunity to offer comments to the Board of Governors of the Federal Reserve System (the “Board”) with respect to the Proposed Agency Information Collection Activities under the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Proposed Rule”).

Ameriprise Financial is a diversified holding company, engaged in business through its operating subsidiaries. Ameriprise provides financial planning, products and services that are designed to be utilized as solutions for our clients’ cash and liquidity, asset accumulation, income, protection and estate and wealth transfer needs. Ameriprise Financial was designated a Savings and Loan Holding Company (“SLHC”) by the Office of Thrift Supervision (“OTS”) in September 2006 when it launched a de novo savings bank subsidiary, Ameriprise Bank, FSB, which was then regulated by the OTS.

### **Transition to BHC Reporting Forms**

The Board’s Proposed Rule would initially exempt certain SLHCs from reporting using the Board’s existing Bank Holding Company (“BHC”) regulatory reports, and requires a two-year phase-in period for regulatory reporting for all other SLHCs. Ameriprise has organized its response around the proposed exemptions, timing and expected level of burden, and utility of the Proposed Rule.

### **Exempt SLHCs.**

The Board proposes to initially exempt SLHCs that are exempt pursuant to section 10(c)(9)(C) of the Home Owners Loan Act (“HOLA”) and whose savings association subsidiaries’ consolidated assets make up less than 5% of the total consolidated assets of the SLHC as of the quarter end prior to the reporting date quarter end. In reaching its conclusion, the Board recognized that applying bank-centric reporting to such companies may provide little useful information to its analysts. For such

exempt SLHCs, the Board would rely on reports provided to other regulators, such as the SEC, and supervisory information gathered by examiners from the parent organization.<sup>1</sup>

The Board further recognized that there may be SLHCs that do not meet the exemption criteria, but for which it nonetheless would be unreasonable to require standardized BHC regulatory reporting beginning in March 2012. These SLHCs are to be reviewed on a case-by-case basis to determine whether or not they should be required to submit BHC regulatory reports.

Ameriprise Financial believes that the reporting requirements under the Board's Proposed Rule, while fitting for BHCs, are less relevant and should not be applied to diverse SLHCs, specifically asset management and/or insurance SLHCs with a relatively small savings bank subsidiary. As illustrated in the table and related footnotes below, 91% of Ameriprise Financial's total assets are from regulated non-bank businesses, predominantly asset management, advisory and insurance products and services. Ameriprise Financial's sole banking subsidiary, Ameriprise Bank, FSB, makes up less than 4% of its total assets as of June 30, 2011. Ameriprise Bank, FSB's total assets have been below 4% of Ameriprise Financial's total assets since the bank was launched in 2006.

	<u>Bank (1)</u>	<u>Regulated or Functionally Regulated Non- Bank Entities (2)</u>	<u>Non Regulated Entities (3)</u>	<u>Consolidated</u>
	<i>(\$ in billions, as of June 30, 2011)</i>			
Total Assets	\$ 4.8	\$ 123.2	\$ 7.1	\$ 135.1
% of Total Assets	3.6%	91.2%	4.7%	

- (1) Relates to Ameriprise Bank, FSB, regulated by the Office of the Comptroller of the Currency ("OCC").
- (2) Of total assets listed, \$106.6 billion relate to life and property casualty insurance companies, which are regulated by their statutory authorities; \$6.9 billion relate to regulated or functionally regulated asset management entities; \$4.2 billion relate to our registered broker-dealers, which are regulated by Financial Industry Regulatory Authority ("FINRA") and the Securities Exchange Commission ("SEC"); \$3.1 billion relate to Ameriprise Certificate Company, a 1940 Act investment certificate company registered with the SEC and also regulated by the State of Minnesota; \$2.3 billion relates to parent company only.
- (3) Of total assets listed, \$5.9 billion relates to variable interest entities; \$1.2 billion relates to a number of smaller legal entities with total assets individually under \$0.5 billion.

The Board's Proposed Rule would require SLHCs engaged in diverse nonbank financial activities to complete a multitude of BHC-centric forms, which would prove burdensome, and in many instances duplicative, in light of SLHC regulatory reporting already performed by such entities. For example, since Ameriprise Financial is predominantly an asset management, advisory and insurance company, its financial reporting and accounting practices are different from a typical BHC. Under Regulation S-X, Ameriprise Financial files its financial statements with the SEC in accordance with Article 5 - Commercial and Industrial Companies. Ameriprise Financial's largest subsidiary, RiverSource Life Insurance Company ("RiverSource Life"), which makes up nearly 80% of Ameriprise's consolidated balance sheet, files its financial statements with the SEC in accordance with Article 7 - Insurance Companies.

<sup>1</sup> The SLHC would continue to submit Schedule HC, which is currently a part of the Thrift Financial Report, and the OTS H-(b)11 Annual/Current Report.

In addition to these SEC reporting requirements, RiverSource Life, along with Ameriprise Financial's three other insurance subsidiaries, are all statutory insurance filers. Ameriprise Financial's four operating broker-dealer subsidiaries provide regulatory "FOCUS" and other broker-dealer required reporting to FINRA. The UK asset manager, Threadneedle Asset Management Holding, Ltd, and its subsidiaries, provide reporting under FSA requirements. The investment certificate company, Ameriprise Certificate Company, files its financial statements with the SEC in accordance with Article 6 - Registered Investment Companies.

As provided annually in Ameriprise Financial's Form 10-K, actual capital and regulatory capital requirements as of December 31 for our wholly owned subsidiaries subject to regulatory capital requirements were as follows:

	Actual Capital		Regulatory Capital Requirements	
	(in millions)			
	2010	2009	2010	2009
RiverSource Life <sup>(1)(2)</sup>	\$ 3,813	\$ 3,450	\$ 652	\$ 803
RiverSource Life of NY <sup>(1)(2)</sup>	291	286	38	44
IDS Property Casualty <sup>(1)(3)</sup>	411	405	141	133
Ameriprise Insurance Company <sup>(1)(3)</sup>	44	46	2	2
ACC <sup>(4)(5)</sup>	184	293	173	231
Threadneedle <sup>(6)</sup>	182	201	104	155
Ameriprise Bank, FSB <sup>(7)</sup>	302	255	294	231
AFSI <sup>(3)(4)</sup>	119	79	1	1
Ameriprise Captive Insurance Company <sup>(3)</sup>	38	28	12	12
Ameriprise Trust Company <sup>(3)</sup>	41	36	40	32
AEIS <sup>(3)(4)</sup>	115	133	35	29
Securities America, Inc. <sup>(3)(4)</sup>	2	15	#	#
RiverSource Distributors, Inc. <sup>(3)(4)</sup>	24	41	#	#
Columbia Management Investment Distributors, Inc. <sup>(3)(4)</sup>	27	13	#	#

# Amounts are less than \$1 million.

(1) Actual capital is determined on a statutory basis.

(2) Regulatory capital requirement is based on the statutory risk-based filing.

(3) Regulatory capital requirement is based on the applicable regulatory requirement, calculated as of December 31, 2010 and 2009.

(4) Actual capital is determined on an adjusted GAAP basis.

(5) ACC is required to hold capital in compliance with the Minnesota Department of Commerce and SEC capital requirements.

(6) Actual capital and regulatory capital requirements are determined in accordance with U.K. regulatory legislation. The actual capital and the regulatory capital requirements for December 31, 2010 represent management's preliminary internal assessment of the risk based requirement specified by FSA regulations.

(7) Ameriprise Bank is required to hold capital in compliance with the Office of Thrift Supervision ("OTS") regulations and policies, which currently require a Tier 1 (core) capital ratio of not less than 7.5%.

As evidenced in tables above, outside of its Ameriprise Bank, FSB subsidiary, Ameriprise Financial's consolidated and subsidiary reporting obligations are not bank-centric. Ameriprise's general ledger structure, financial reporting and related data are all designed to support its functional industry and regulatory requirements. Like other similarly situated diverse SLHCs, a requirement to

file the FR Y series reports and FR Y-11 subsidiary reports would be duplicative, costly, and time consuming, and would provide limited value to the Board.

Furthermore, SLHCs engaged in diverse nonbank activities, like Ameriprise Financial and its subsidiaries, are highly regulated. For instance, on a total asset basis, approximately 95% of Ameriprise Financial's legal entity balance sheet is regulated or functionally regulated, as depicted in the first table above and described in further detail in the footnotes following the table. Not only are Ameriprise's subsidiaries required to file regulatory reports and audited financial statements on a regular basis, they are also examined on a regular basis by their designated examining authorities. In addition, Ameriprise Financial, like other diverse SLHCs, regularly reviews the overall health of its business, earnings, business models, and capital, liquidity and risk management plans with credit rating agencies, and executes similar monitoring plans through formal management committees.

Lastly, we draw your attention to Section 604(g) and (h) of the Dodd-Frank Act amending sections 10(b)(2) and 2 of HOLA. Section 604 (g) and (h) requires the Board "to the fullest extent possible" to rely on reports and reports of examinations of "other Federal or State regulatory agencies" in carrying out its regulatory oversight. This language conveys the clear instruction of Congress to the Board to maximize its use of existing reporting regimes such as those described above, to which Ameriprise Financial is already subject. Moreover, the legislative history of Section 604 reflects the desire of Congress that the Board's regulation be coordinated with regulatory frameworks already in place, thereby reducing duplicative and burdensome reporting obligations.

In summary, Ameriprise respectfully submits that diverse, nonbank-centric SLHCs, specifically asset management, advisory and/or asset management SLHCs with a relatively small savings bank subsidiary, should be afforded an exemption similar to SLHCs that are exempt pursuant to 10(c)(9)(C) of HOLA, recognizing:

- The small size of the banking subsidiary relative to the consolidated diverse SLHC enterprise;
- The highly regulated environment under which such diverse SLHCs currently operate; and
- The Board's ability, and mandate, to rely on regulatory filings made to functional regulators, audited financial statements, examination reports issued by such various regulators, rating agency materials, and any key internal materials of diverse SLHCs to help facilitate the necessary level of regulatory oversight. Ameriprise proposes to accumulate and directly provide to the Board its suite of financial statements and filings to its functional regulators as described above as soon as they are filed with our various regulators; as well as internal management capital and liquidity analysis and plans as they become available
- We would welcome the opportunity to discuss the various regulatory and credit rating agencies requirements and compliance reporting with the Board as soon as reasonably possible.

#### Timing and Expected Burden.

The Board's Proposed Rule would require SLHCs to begin filing BHC regulatory financial reports (i.e., FR Y-9C) effective the period ending March 31, 2012. This effective date is five months after the close of the comment period (November 1, 2011) and provides little time for Ameriprise Financial or other SLHCs to procure, install and test FR Y reporting software, adequately analyze the reporting requirements, accurately map their general ledger to meet the reporting requirements, and prepare the additional reports and the documentation needed to support its filings. For SLHCs not exempted from the filing requirements, we propose postponing the effective date of the proposed rule

by one year to allow larger SLHCs more time to adequately analyze the reporting requirements and prepare accurate reports.

For example, Ameriprise Financial will experience an initial and ongoing financial and resource burden and significant timing pressure to meet the new reporting requirements under the Proposed Rule:

1. Initial cost and time to analyze the reporting requirements, design and map Ameriprise Financial's general ledger and other systems to new reporting formats.
2. Significant technology investment and time to acquire and operationalize the required reporting software programs necessary to generate data and reports for Ameriprise Financial. Although transactions are captured in trial balances and/or sub-ledgers as they occur (e.g., daily, weekly, monthly), Ameriprise summarizes these transactions at month-end. Ameriprise does not have all activity readily available on a weighted-average asset basis, and it will be costly and time consuming to enhance its systems to obtain this level of reporting.
3. Initial and ongoing resource constraints, including additional staffing and training, associated with the quarterly reporting process for the FR Y-9C, which is in direct conflict with Ameriprise's current regulatory required reporting deadlines. Even with additional staffing directly responsible for the filings, Ameriprise will have to ensure management is available to review the report prior to filing, and will need to engage other reporting or technical experts as necessary to complete each cycle.

Utility of the Collected Information.

As noted above, Ameriprise Financial believes the breadth and depth of current regulatory reporting performed by diverse SLHCs at the consolidated and subsidiary levels provides sufficient information to meet the Board's information collection requirements. If additional data were to be needed, Ameriprise Financial would respectfully request that the Board consider a more reasonable, less costly and less time consuming approach to fulfilling its information collection needs at the SLHC level.

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We appreciate the opportunity to comment on the Proposed Rule and would welcome the opportunity to meet and walk through our Capital requirements and Compliance information available within our various current regulatory reporting and respond to any questions the Board may have regarding any of Ameriprise Financial's comments and recommendations.

Sincerely,



Dave K. Stewart  
SVP & Controller

cc: \_

Office of Information and Regulatory Affairs

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