

**International Bancshares  
Corporation**

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October 13, 2016

Board of Governors of the Federal Reserve System  
Robert DeV. Frierson, Secretary  
20th Street and Constitution Avenue NW  
Washington, DC 20551  
*(By email to: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov))*

Office of the Comptroller of the Currency  
Legislative and Regulatory Activities Division  
Attention: 1557-0081, FFIEC 031, 041, and 051  
400 7th Street SW  
Suite 3E-218, Mail Stop 9W-11  
Washington, DC 20219  
*(By email to: [prainfo@occ.treas.gov](mailto:prainfo@occ.treas.gov))*

Federal Deposit Insurance Corporation  
Manuel E. Cabeza, Counsel  
Attention: Comments  
Room MB-3105  
550 17th Street NW  
Washington, DC 20429  
*(By email to: [comments@fdic.gov](mailto:comments@fdic.gov))*

**Re: FFIEC Proposal on Streamlined Call Reports for Small Institutions:  
FFIEC 031, FFIEC 041, and FFIEC 051**

Ladies and gentlemen:

I am the Chairman of International Bancshares Corporation (IBC) (NASDAQ: IBOC), a financial holding company headquartered in Laredo, Texas with four bank subsidiaries operating throughout Texas and Oklahoma. IBC appreciates the opportunity to comment on the FFIEC's proposal to implement certain changes to Call Report forms for eligible small institutions, proposed to be defined as those with total assets less than \$1 billion and with domestic offices only.

IBC takes particular interest in this proposal as our subsidiaries include banks that would, individually, be eligible for the proposed changes, as their asset size is below \$1 billion and they have only domestic offices. We understand that this is the latest step in the FFIEC's initiative to reduce Call Report-related burdens for community banks, and thank the agencies for making efforts to provide such relief.

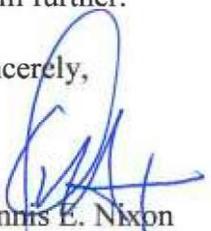
Unfortunately, this proposal does not provide that relief for banks that are part of a bank holding company structure. This is because while the proposal would omit numerous line items in Call Report forms, it would not make conforming changes to corresponding items in the Federal Reserve's bank holding company reporting forms.

For example, in IBC's case, as a multi-tier holding company, we must still gather numerous pieces of information that would be omitted from the Call Report by this proposal, because we must report that information as part of our reporting obligations to the Federal Reserve. Specifically, we must collect and report information from several schedules that would be amended by this proposal, such as Schedules RC-C and RC-N, as well as certain items in Schedule RI, to compile our Y-9 forms for submission to the Federal Reserve. Thus, while the reduction in schedule line items does help to some degree on an individual bank level, it does not help at all at the bank holding company level, and it still leaves burden imposed on the individual bank to the extent that that bank must still collect and report the information to its holding company so that the information may be reported on the Y-9 forms. Additionally, while some of the schedule changes to the Call Report are schedules not currently included in the Y-9 or other Federal Reserve reports, should the Federal Reserve begin to include those lines, data collection for those discontinued items would need to re-commence in order to comply with those reporting requirements.

Thus, in order to truly achieve the relief from reporting burden that the FFIEC agencies are attempting to provide, we urge the Federal Reserve to make changes to the Y-9 forms to harmonize the reporting requirements with this proposal. Namely, items that would be omitted from Call Reports for the bank holding company's depository institution subsidiaries should be omitted from bank holding company reporting requirements as well.

We appreciate your consideration of these comments, and welcome the opportunity to discuss them further.

Sincerely,



Dennis E. Nixon  
President and Chairman of the Board