

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Proposed Agency Information Collection Activities; Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Joint notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (the “agencies”) may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The Federal Financial Institutions Examination Council (FFIEC), of which the agencies are members, has approved the agencies’ publication for public comment of a proposal to extend, with revision the Foreign Branch Report of Condition (FFIEC 030), which is a currently approved information collection for each agency. At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the FFIEC should modify the report. The agencies will then submit the report to OMB for review and approval.

DATES: Comments must be submitted on or before September 12, 2006.

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number, will be shared among the agencies.

OCC: Communications Division, Office of the Comptroller of the Currency, Public Information Room, Mailstop 1-5, Attention: 1557-0099, 250 E Street, S.W., Washington, DC 20219. In addition, comments may be sent by fax to 202-874-4448, or by electronic mail to regs.comments@occ.treas.gov. You can inspect and photocopy the comments at the OCC's Public Information Room, 250 E Street, SW., Washington, DC 20219. You can make an appointment to inspect the comments by calling 202-874-5043.

Board: You may submit comments, identified by FFIEC 030, by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments on the <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include docket number in the subject line of the message.
- FAX: 202-452-3819 or 202-452-3102.
- Mail: Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, DC 20551.

All public comments are available from the Board's web site at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room MP-500 of the Board's Martin Building (20th and C Streets, N.W.) between 9 a.m. and 5 p.m. on weekdays.

FDIC: You may submit comments, which should refer to “Foreign Branch Report of Condition, 3064-0011,” by any of the following methods:

- Agency Web Site: <http://www.FDIC.gov/regulations/laws/federal/notices.html>.
- E-mail: comments@FDIC.gov. Include “Foreign Branch Report of Condition, 3064-0011” in the subject line of the message.
- Mail: Steven F. Hanft (202-898-3907), Paperwork Clearance Officer, Room MB-3064, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7 a.m. and 5 p.m.

Public Inspection: All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/notices/html> including any personal information provided. Comments may be inspected at the FDIC Public Information Center, Room E-1002, 3502 North Fairfax Drive, Arlington, VA 22226, between 9 a.m. and 5 p.m. on business days.

Additionally, commenters should send a copy of their comments to the OMB Desk Officer for the Agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, N.W., Washington, DC 20503 or by fax to 202-395-6974.

FOR FURTHER INFORMATION CONTACT:

OCC: Mary Gottlieb, OCC Clearance Officer, or Camille Dickerson, 202-874-5090, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 250 E Street, S.W., Washington, DC 20219.

Board: Michelle Long, Federal Reserve Board Clearance Officer, 202-452-3829, Division of Research and Statistics, Board of Governors of the Federal Reserve System, 20th and

C Streets, N.W., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call 202-263-4869, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551.

FDIC: Steven F. Hanft, 202-898-3907, Room MB-3064, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to request approval from OMB of the extension for three years, with revision, of the following currently approved collections of information:

Report Title: Foreign Branch Report of Condition

Form Numbers: FFIEC 030 and FFIEC 030S

Frequency of Response: Annually, and quarterly for significant branches

Affected Public: Business or other for profit

OCC:

OMB Number: 1557-0099

Estimated Number of Respondents: 118 annual branch respondents (FFIEC 030)

73 quarterly branch respondents (FFIEC 030)

200 annual branch respondents (FFIEC 030S)

Estimated Average Time per Response: 3.4 burden hours (FFIEC 030)

0.5 burden hours (FFIEC 030S)

Estimated Total Annual Burden: 1,494 burden hours

Board:

OMB Number: 7100-0071

Estimated Number of Respondents: 17 annual branch respondents (FFIEC 030)

16 quarterly branch respondents (FFIEC 030)

24 annual branch respondents (FFIEC 030S)

Estimated Average Time per Response: 3.4 burden hours (FFIEC 030)

0.5 burden hours (FFIEC 030S)

Estimated Total Annual Burden: 288 burden hours

FDIC:

OMB Number: 3064-0011

Estimated Number of Respondents: 6 annual respondents (FFIEC 030)

2 quarterly respondents (FFIEC 030)

7 annual respondents (FFIEC 030S)

Estimated Average Time per Response: 3.4 burden hours (FFIEC 030)

0.5 burden hours (FFIEC 030S)

Estimated Total Annual Burden: 51 burden hours

General Description of Reports

This information collection is mandatory: 12 U.S.C. 321, 324, and 602 (Board); 12 U.S.C. 602 (OCC); and 12 U.S.C. 1828 (FDIC). This information collection is given confidential treatment (5 U.S.C. 552(b)(8)).

Abstract

The FFIEC 030 contains asset and liability information for foreign branches of insured U.S. commercial banks and state-chartered savings banks and is required for regulatory and supervisory purposes. The information is used to analyze the foreign operations of U.S. banks. All foreign branches of U.S. banks regardless of charter type file this report with the appropriate Federal Reserve District Bank. The Federal Reserve collects this information on behalf of the

U.S. bank's primary federal bank regulatory agency.

Current Actions

To reduce respondent burden, the agencies propose to eliminate five reporting items for branches with total assets in excess of \$250 million, create a short form (FFIEC 030S) containing five items to be filed annually by branches with total assets of between \$50 million and \$250 million (in lieu of filing the entire FFIEC 030 form), and eliminate the filing requirement for branches with less than \$50 million in total assets. Of the current number of 689 branch respondents, 231 branch respondents have total assets of between \$50 million and \$250 million and 226 respondents have less than \$50 million in total assets.¹ Thus, under this proposal reporting burden would be significantly reduced or eliminated for approximately two-thirds of the respondents.

Discussion of Proposed Revisions

A. Revisions to the FFIEC 030

The agencies propose to reduce reporting burden by eliminating five reporting items for branches with total assets in excess of \$250 million because the aggregate amounts reported in these items have declined substantially to a nominal amount. The five items to be eliminated are:

- Asset item 6.d, "Loans to foreign governments and official institutions." Amounts would be included in current item 6.e, "Loans and lease financing receivables: To all others."
- Asset item 7, "Customers' liability to this bank on acceptances outstanding." Amounts would be included in current item 13, "Other assets."

¹ Respondents are permitted to report branches in a single country on a consolidated basis. Therefore, the number of branch respondents in each asset category does not equal the actual number of reports filed with the agencies.

- Asset item 9, “Accrued interest receivable.” Amounts would be included in current item 13, “Other assets.”
- Liability item 19, “Bank’s liability on acceptances executed and outstanding.” Amounts would be included in current item 24, “Other liabilities.”
- Liability item 20, “Accrued taxes and other expenses.” Amounts would be included in current item 24, “Other liabilities.”

The revisions to the FFIEC 030 reporting form are proposed to be effective with the December 31, 2006, reporting date.

B. Implementation of the FFIEC 030S

The agencies propose to create an abbreviated or “short” report (FFIEC 030S) containing five items that branches with total assets between \$50 million and \$250 million would file on an annual basis in lieu of the FFIEC 030 form. The scope of the FFIEC 030S would be comparable to a report filed with the Federal Reserve by U.S. banking organizations for their foreign subsidiaries.² The items proposed for this report are considered the minimum information needed to serve as indicators of higher business volume, risk, and complexity in small-sized foreign branches. The reported information would also be used to monitor potential developments that may pose risks to the overall operations of the parent bank. The items proposed for the FFIEC 030S are:

- Gross due from related institutions (a combination of current FFIEC 030 asset items 11 and 12)
- Total assets (current FFIEC 030 asset item 14)

² Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314S; OMB No. 7100-0073), filed for subsidiaries with assets between \$50 million and \$250 million.

- Gross due to related institutions (combination of current FFIEC 030 liability items 22 and 23)
- Total gross notional amount of derivative contracts (combination of current FFIEC 030 derivative items 26, 27, 28, and 31)
- Commercial and similar letters of credit, standby letters of credit, and foreign office guarantees (combination of current FFIEC 030 off-balance sheet items 29 and 30)

The FFIEC 030S reporting form is proposed to be effective with the December 31, 2006, reporting date.

C. Exempt Entities

The agencies propose to exempt foreign branches with total assets below \$50 million from both the FFIEC 030 and FFIEC 030S annual filing requirements.

Request for Comment

Comments are invited on:

- a. Whether the information collections are necessary for the agencies' duties and responsibilities, including whether the information has practical utility;
- b. The accuracy of the agencies' estimate of the burden of the information collections, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of the information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide the requested information.

Comments submitted in response to this notice will be shared among the agencies. All comments will become a matter of public record. Written comments should address the accuracy of the burden estimates and ways to minimize burden including the use of automated collection techniques or the use of other forms of information technology as well as other relevant aspects of the information collection request.

Dated: June 27, 2006

(signed)

James Gillespie
Deputy Chief Counsel
Office of the Comptroller of the Currency.

Board of Governors of the Federal Reserve System, July 10, 2006.

(signed)

Jennifer J. Johnson,
Secretary of the Board.

Dated at Washington, D.C., this 7th day of July, 2006.

FEDERAL DEPOSIT INSURANCE CORPORATION

(signed)
Robert E. Feldman,
Executive Secretary.