

**Supporting Statement for the  
Single-Counterparty Credit Limits  
(FR 2590; OMB No. 7100-0377)**

**Summary**

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), proposes to extend for three years, with revision, the Single-Counterparty Credit Limits (FR 2590; OMB No. 7100-0377) reporting form, associated other reporting requirements, and recordkeeping requirements. The FR 2590 was implemented in connection with the Board's single-counterparty credit limits rule (SCCL rule),<sup>1</sup> codified in the Board's Regulation YY - Enhanced Prudential Standards (12 CFR Part 252)<sup>2</sup> and the Board's Regulation LL – Savings and Loan Holding Companies (12 CFR Part 238).<sup>3</sup>

The information collected by the FR 2590 reporting form allows the Board to monitor a covered company's or a covered foreign entity's compliance with the SCCL rule. A covered company is any U.S. bank holding company (BHC) that is subject to Category I, II, or III standards or any savings and loan holding company (SLHC) that is subject to Category II or III standards. A covered foreign entity is a foreign banking organization (FBO) that is subject to Category II or III standards or that has total global consolidated assets of \$250 billion or more, and any U.S. intermediate holding company (IHC) that is subject to Category II or III standards. In addition to the reporting form, the FR 2590 information collection incorporates notice requirements pertaining to requests that may be made by a covered company or covered foreign entity to request temporary relief from specific requirements of the SCCL rule, as well as a requirement that filers of the FR 2590 reporting form retain an exact copy of each completed FR 2590.

The Board proposes to revise the FR 2590 reporting form to clarify that a foreign banking organization that meets the large exposure standards on a consolidated basis established by its home-country supervisor is not required to provide additional documentation as part of its FR 2590 submission. The Board also proposes to clarify that a respondent should use tier 1 capital data and total consolidated assets data that is concurrent with its FR 2590 submission when calculating and reporting compliance with the SCCL rule. The Board also proposes to clarify that respondents should retain manually signed and attested copies of the cover page of the FR 2590 form and of the data submitted for three years, in accordance with similar requirements for other regulatory reports. The Board also proposes to clarify that the order of counterparties should be the same across Schedules G-1 through G-4, Schedules M-1 through M-2, and the Summary of Net Credit Exposures. Finally, the Board proposes to revise Schedule M-1 by adding an additional table for firms calculating derivative transaction exposures using the standardized approach for counterparty credit risk (SA-CCR) to report collateral received in connection with those derivative transactions. The Board proposes these revisions to be effective for the June 30, 2024, as of date.

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<sup>1</sup> 83 FR 38460 (August 6, 2018). See also 84 FR 59032 (November 1, 2019) (finalizing the SCCL rule for SLHCs).

<sup>2</sup> See 12 CFR Part 252, subparts H and Q.

<sup>3</sup> See 12 CFR Part 238, subpart Q.

The current estimated total annual burden for the FR 2590 is 56,719 hours, and would remain the same with the proposed revisions. The form and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms>.

## Background and Justification

As demonstrated during the 2007-2008 financial crisis, large credit exposures to individual counterparties, particularly between financial institutions, can spread financial distress and undermine financial stability. Section 165(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act)<sup>4</sup> directed the Board to prescribe regulations that prohibit covered companies and covered foreign entities from having a credit exposure to any unaffiliated company that exceeds 25 percent of the capital stock and surplus of the covered company or covered foreign entity, or such lower limit as the Board may determine by regulation to be necessary to mitigate risks to the financial stability of the United States. In order to implement section 165(e) of the Dodd-Frank Act, the Board adopted the SCCL final rule in the third quarter of 2018. The Board then adopted the SCCL rule for SLHCs in 2019, pursuant to section 10(g) of the Home Owners' Loan Act (HOLA).<sup>5</sup>

The Board's SCCL rule applies a single-counterparty credit limit to covered companies and covered foreign entities, generally using a base of tier 1 capital, and, for U.S. global systemically important bank holding companies (G-SIBs), applies an additional single-counterparty credit limit for exposures between major counterparties.<sup>6</sup> The SCCL rule requires each covered company and covered foreign entity to calculate its aggregate net credit exposure to a counterparty using the methods set forth in the rule and sets limits on the aggregate net credit exposure that each covered company and covered foreign entity may have to the counterparty. In addition, certain provisions in the SCCL rule permit a covered company or covered foreign entity to request temporary relief from specific requirements of the rule.

The FR 2590 reporting form collects information necessary to allow the Board to monitor respondents' compliance with the SCCL rule. Additionally, aside from the FR 2590 reporting form, the FR 2590 information collection incorporates certain notices required by the SCCL rule and a recordkeeping requirement. This information is not available from other sources.

## Description of Information Collection

### Reporting Requirements

#### *FR 2590 Reporting Form*

The FR 2590 reporting form is designed comprehensively to capture the credit exposures of a respondent organization to its counterparties in accordance with the SCCL rule. The rule prohibits any covered company from having an aggregate net credit exposure to an unaffiliated

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<sup>4</sup> Codified at 12 U.S.C. § 5365(e).

<sup>5</sup> 12 U.S.C. § 1467a(g).

<sup>6</sup> Under the SCCL rule, a "major counterparty" is defined as a covered company that is a G-SIB, certain large FBOs, and any nonbank financial company supervised by the Board (12 CFR 252.71(x), 252.171(y)).

counterparty in excess of 25 percent of its tier 1 capital and prohibits a G-SIB from having aggregate net credit exposures to any major counterparty in excess of 15 percent of its tier 1 capital. The SCCL rule applies similar single-counterparty credit limits to covered foreign entities. However, the SCCL rule allows an FBO to comply with the rule by certifying to the Board that it meets, on a consolidated basis, a single-counterparty credit limit established by its home country supervisor that is consistent with the Basel Committee on Banking Supervision's large exposure standard (BCBS Large Exposure Standard).

The FR 2590 reporting form requests general information about the respondent organization (e.g., the respondent organization's amount of its capital stock and surplus, and whether the respondent is considered a major counterparty under the rule). The form also asks any respondent that is an FBO whether that FBO is certifying to the Board that it meets large exposure standards on a consolidated basis established by its home country supervisor that are consistent with the BCBS Large Exposure Standard. The form requires identification of counterparties by name and by entity type (e.g., sovereign, securitization). The form then requests data needed to calculate the respondent organization's credit exposures, which are reported on nine schedules. Five of these schedules (Schedules G-1 through G-5) collect information related to the gross exposures of the respondent organization to various counterparties. A respondent organization must add the exposure amounts in the five G schedules to calculate its aggregate gross credit exposure. A respondent organization would then calculate its net credit exposure by adjusting its gross credit exposures using Schedules M-1 and M-2, which collect information related to eligible collateral and other eligible credit risk mitigants (e.g., eligible guarantees), respectively. The respondent organization must take into account special provisions in the SCCL rule that require aggregation of certain connected counterparties due to economic interdependence—meaning the underlying risk of one counterparty's financial distress or failure would cause the financial distress or failure of another counterparty, as indicated by the presence of certain enumerated factors in the SCCL rule—or due to the presence of certain control relationships described in the rule.<sup>7</sup> Data relevant to understanding the presence of any relationships that require such aggregation are reported in Schedules A-1 and A-2. In filling out the schedules described above, the respondent organization must report exposures by counterparty, with a single counterparty in each row. The form requires each respondent organization to report its top 50 counterparties.

*Schedule G-1: General Exposures.* This schedule contains seven general gross credit exposure categories that are described in the SCCL rule:<sup>8</sup> (1) deposits, (2) loans and leases, (3) debt securities or investments, (4) equity securities or investments, (5) committed credit lines, (6) guarantees and letters of credit, and (7) securitization arising from the look-through approach.<sup>9</sup> These gross exposures are summed together, by counterparty, in the final column of Schedule G-1.

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<sup>7</sup> The requirement to aggregate counterparties based on these relationships can be found in sections 252.76 and 252.176 of the Board's Regulation YY, and section 238.156 of the Board's Regulation LL.

<sup>8</sup> See sections 252.73, 252.75, 252.173, and 252.175 of Regulation YY, and sections 238.153 and 238.155 of Regulation LL.

<sup>9</sup> Calculation of gross credit exposure as a result of item (7) (securitization arising from the look-through approach) is described in sections 252.75 and 252.175 of Regulation YY and section 238.155 of Regulation LL. Gross credit exposure to a securitization that does not require application of the look-through approach would be reported as either item (3) (debt securities or investments) or item (4) (equity securities or investments), as applicable.

*Schedule G-2: Repurchase Agreement Exposures.* This schedule collects gross credit exposures arising from repurchase agreements and reverse repurchase agreements as provided in the SCCL rule.<sup>10</sup> It requires the respondent organization to identify the assets transferred and received in the transaction. Examples include sovereign debt, non-sovereign debt, main index equities, and cash. The penultimate column asks for the total gross credit exposure under bilateral netting agreements. The final column tallies the total gross credit exposure resulting from these transactions by counterparty.

*Schedule G-3: Securities Lending Exposures.* This schedule collects similar information to that collected in Schedule G-2 with respect to securities lending and securities borrowing transactions. Again, the final column tallies the total gross credit exposure resulting from these transactions by counterparty.

*Schedule G-4: Derivatives Exposures.* Schedule G-4 requires the respondent organization to report the gross notional value of its derivatives transactions by counterparty, consistent with the SCCL rule.<sup>11</sup> If the respondent organization has been authorized by the Board to use internal-models-based methodologies, then it can report its exposures using the “Internal Model Method” columns.<sup>12</sup> Another column in Schedule G-4 is available for a respondent organization to report gross credit exposures resulting from qualifying master netting agreements.<sup>13</sup> All respondent organizations are required to complete the total gross credit exposure column.

*Schedule G-5: Risk Shifting Exposures.* Schedule G-5 collects information related to gross credit exposures that have been affected by the risk shifting requirements of the SCCL rule.<sup>14</sup> Risk shifting is required when a respondent organization employs six types of credit risk mitigants: (1) eligible collateral, (2) eligible guarantees, (3) eligible credit and equity derivatives, (4) other eligible hedges, (5) unused portion of certain extensions of credit, and (6) credit transactions involving excluded and exempt entities. The final column aggregates the total gross exposure, by counterparty, due to risk shifting.

*Schedule M-1: Eligible Collateral.* The SCCL rule permits a respondent organization to subtract the value of any eligible collateral provided by a counterparty in connection with a particular transaction from its gross credit exposure for that transaction.<sup>15</sup> The value of all such eligible collateral is reported in Schedule M-1. Eligible collateral includes, but is not limited to, sovereign debt, non-sovereign debt, main index equities, other publicly traded equities, and cash. The final column sums the total credit risk mitigation impact due to eligible collateral, by counterparty.

*Schedule M-2: General Risk Mitigants.* Schedule M-2 collects information related to credit risk mitigation techniques other than the receipt of collateral used by the firm to reduce its

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<sup>10</sup> See sections 252.73 and 252.173 of Regulation YY and section 238.153 of Regulation LL.

<sup>11</sup> Id.

<sup>12</sup> If the respondent organization has not been authorized by the Board to use internal-models-based methodologies, the organization should leave these columns blank.

<sup>13</sup> “Qualifying master netting agreement” is defined in sections 252.71(cc) and 252.171(dd) of Regulation YY and section 238.151(aa) of Regulation LL.

<sup>14</sup> See sections 252.74 and 252.174 of Regulation YY and section 238.154 of Regulation LL.

<sup>15</sup> Id.

gross credit exposure in a given transaction. Permitted credit risk mitigation methods described in the SCCL rule are (1) eligible guarantees, (2) eligible credit and equity derivatives, (3) other eligible hedges, (4) unused portion of certain extensions of credit, and (5) credit transactions involving excluded and exempt entities.<sup>16</sup> The final column sums the total credit risk mitigation effected by use of these techniques, by counterparty.

*Summary of Net Credit Exposures.* The reporting form contains a summary sheet that sums the respondent organization's aggregate gross credit exposure (as reported in the final columns of each of the five G schedules); calculates the respondent organization's aggregate net credit exposures by reducing its aggregate gross credit exposure by its aggregate credit risk mitigants (calculated by taking the sum of the final columns of the two M schedules); and divides the respondent organization's aggregate net credit exposure by its tier 1 capital. The resulting ratio shows whether the respondent organization's aggregate net credit exposures comply with the limits of the SCCL rule.

*Schedule A-1: Economic Interdependence.* The SCCL rule<sup>17</sup> requires a covered company or covered foreign entity to aggregate its net credit exposures to counterparties that are economically interdependent—meaning that the underlying risk of one counterparty's financial distress or failure would cause financial distress or failure of another counterparty—if its aggregate net credit exposure to a counterparty exceeds 5 percent of its tier 1 capital. The SCCL rule enumerates specific factors that those covered companies or covered foreign entities must consider in order to assess whether counterparties are economically interdependent. Such factors include whether 50 percent or more of one counterparty's gross revenue is derived from the other counterparty, or whether two or more counterparties rely on the same source for the majority of their funding, and, in the event of the common provider's default, an alternative provider cannot be found.<sup>18</sup> The SCCL rule requires that counterparties that must be aggregated be treated as a single counterparty (reported in Schedule A-1 as an “interconnected counterparty group”) for purposes of the aggregate net credit exposure limits of the rule. Schedule A-1 requires the respondent organization to provide its aggregate net credit exposure to each member of the interconnected counterparty group (one per column). The final column of Schedule A-1 sums the total net credit exposure of the respondent organization to each connected counterparty group.

*Schedule A-2: Control Relationships.* The SCCL rule requires a covered company or covered foreign entity to aggregate exposures to counterparties due to the presence of certain control relationships.<sup>19</sup> The rule requires that counterparties that are connected by certain specified control relationships be treated as a single counterparty (reported in Schedule A-2 as a “control counterparty group”) for purposes of the aggregate net credit exposure limits of the SCCL rule. Schedule A-2 requires the respondent organization to provide its aggregate net credit

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<sup>16</sup> Id.

<sup>17</sup> See sections 252.76(b) and 252.176(b) of Regulation YY and section 238.156(b) of Regulation LL.

<sup>18</sup> A covered company or covered foreign entity is required to conduct an assessment for economic interdependence only if its aggregate net credit exposure to a counterparty exceeds 5 percent of its tier 1 capital. See sections 252.76(a) and 252.176(a) of Regulation YY and section 238.156(a) of Regulation LL. If none of the enumerated factors is met, then the covered company or covered foreign entity need not aggregate exposures to those counterparties unless the Board determines that one or more other counterparties of the covered company or covered foreign entity are economically interdependent. Id.

<sup>19</sup> See sections 252.76(c) and 252.176(c) of Regulation YY and section 238.156(c) of Regulation LL.

exposure to each member of the interconnected counterparty group (one per column). The final column of Schedule A-2 sums the total net credit exposure of the respondent organization to each control counterparty group.

#### *Notice Requirements in the SCCL Rule*

Certain provisions in the SCCL rule permit a covered company or covered foreign entity to request temporary relief from specific requirements of the rule. Specifically, the SCCL rule permits a covered company or covered foreign entity to request temporary relief from requirements to aggregate one or more counterparties even if one or more factors indicating economic interdependence or control relationships are met, subject to certain conditions, including that such relief be in the public interest and consistent with the purpose of the rule.<sup>20</sup> The SCCL rule also permits a covered company or covered foreign entity that is not in compliance with the requirements of the rule to request a special temporary credit exposure limit exemption from the Board to permit continued credit transactions with that counterparty, based upon a finding that those transactions are necessary or appropriate to preserve the safety and soundness of the covered company or U.S. financial stability.<sup>21</sup> These notices must be submitted to the Board and are not part of the FR 2590 report.

#### **Recordkeeping Requirements**

Respondents must maintain in their files an electronic version of the signature page and of the data submitted.

#### **Respondent Panel**

The FR 2590 respondent panel comprises U.S. BHCs that are subject to Category I, II, or III standards, FBOs that are subject to Category II or III standards or that have total global consolidated assets of \$250 billion or more, and SLHCs and U.S. IHCs that are subject to Category II or III standards.

#### **Frequency**

The FR 2590 form is submitted and retained quarterly. Requests for exemptions to certain aspects of the SCCL rule are submitted on an event-generated basis.

#### **Proposed Revisions to the FR 2590**

The Board proposes to make four clarifications and one revision to the FR 2590 form and instructions. The Board proposes to clarify that a respondent that is an FBO subject to a large exposure standard on a consolidated basis established by its home-country supervisor that is consistent with the framework established by the BCBS may simply report that on line 1 of the FR 2590 and is not required to submit additional documentation of compliance. This clarification

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<sup>20</sup> See sections 252.76(b)(3), 252.76(c)(2), 252.176(b)(3), and 252.176(c)(2) of Regulation YY and sections 238.156(b)(3) and 238.156(c)(2) of Regulation LL.

<sup>21</sup> See sections 252.78(c)(2) and 252.178(c)(2) of Regulation YY and section 238.158(c)(2) of Regulation LL.

is intended to confirm the intention expressed in the *Federal Register* notice for the final FR 2590 form, which states that “submission of the FR 2590 report with this [certification] box checked generally will be sufficient to meet the reporting requirement of the SCCL rule.”<sup>22</sup> The proposed revised instructions specify that a respondent may be required to provide additional information or reporting concerning its counterparty credit exposures upon written request by the Board, consistent with the SCCL rule.

The Board further proposes to clarify that a respondent organization should use the tier 1 capital amount reported on the Consolidated Financial Statements for Holding Companies (FR Y-9C; OMB No. 7100-0128) or on the Capital and Asset Report for Foreign Banking Organization (FR Y-7Q; OMB No. 7100-0125) for the same reporting period as the FR 2590 form being submitted when calculating and reporting compliance with the SCCL rule (meaning that the FR 2590 form reporting compliance for Q1 of a given year should use the tier 1 capital amount reported by the firm on the FR Y-9C or FR Y-7Q for Q1 of that same year). Similarly, the amount included for the most recent quarter for calculating total consolidated assets on the FR Y-9C or FR Y-7Q should be that which is reported for the same reporting period as the FR 2590 form being submitted. To the extent that a firm’s tier 1 capital or total consolidated assets change significantly within a given quarter due to unplanned events (e.g., asset deterioration), the Board believes that it would be appropriate for a respondent organization to manage and to limit its net credit exposure to counterparties based on its actual tier 1 capital or assets, including, if necessary, by reducing net credit exposure to a specific counterparty. This would be consistent with the purpose of the SCCL rule, which is to limit the risks posed to covered companies by the failure of any individual firm.<sup>23</sup>

The Board also proposes to clarify that a respondent organization must maintain in their files a physical or electronic scanned copy of the manually signed and attested printout of the data being submitted for a period of three years after submission, with the signed cover page of the FR 2590 being sufficient to fulfill the signature and attestation requirement. This requirement is aligned with other regulatory reporting forms and is intended to ensure appropriate oversight and accountability regarding submitted data. Currently, FR 2590 respondents are required to maintain these records, but the instructions do not specify the duration of the recordkeeping requirement.

The Board also proposes to clarify in the FR 2590 form that the order of counterparties should be the same across Schedules G-1 through G-4, M-1 through M-2, and the Summary of Net Credit Exposures.

The Board also proposes to revise Schedule M-1 of the FR 2590 to allow respondents calculating derivative transaction exposures using SA-CCR to report collateral received in connection with those derivative transactions in a new Table B. Table B would not be included in the respondent’s summary of net credit exposures. For valuing credit exposures resulting from derivative transactions, firms are authorized to use any method they would be authorized to use for purposes of calculating compliance with the Board’s risk-based capital requirements, including the internal models method (IMM), the current exposure method (CEM), or SA-

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<sup>22</sup> 84 FR 64070, 64071 (November 20, 2019).

<sup>23</sup> 83 FR 38460, 38461 (August 6, 2018); see also 12 U.S.C. § 5365(e)(1).

CCR.<sup>24</sup> Firms using either CEM or IMM are currently able to report accurate derivative exposures.<sup>25</sup> Firms calculating derivative exposures under SA-CCR, however, have experienced difficulties under the FR 2590 and current instructions in reporting accurately their gross credit exposure, collateral, and net credit exposure because collateral is factored directly into the SA-CCR calculation and cannot truly be separated out into the elements specified on FR 2590.<sup>26</sup> For example, a respondent reporting both its gross credit exposure as calculated using SA-CCR and collateral received as separate items would cause collateral to be double-counted when calculating its net credit exposures, resulting in artificially lower net credit exposures with respect to the SCCL rule. To avoid this double-counting, some respondents chose to not report collateral in such cases.

Because of the importance of collateral as a risk mitigant, especially in exiting defaulted positions, the Board proposes creating a new table (Table B) in Schedule M-1 to allow respondents calculating derivative transaction exposures using SA-CCR to accurately report their exposure and collateral in connection with those derivative transactions. This information is consistent with other information requested by FR 2590 and is not readily available through other regulatory reporting forms.

### **Time Schedule for Information Collection**

Respondent organizations are generally required to file the FR 2590 report form on a quarterly basis, consistent with the SCCL rule's compliance requirements.<sup>27</sup> Respondents file the FR 2590 report quarterly, as of the close of business on March 31, June 30, September 30, and December 31. Submissions are due 40 calendar days after March 31, June 30, and September 30, and 45 calendar days after December 31. However, if the submission deadline falls on a weekend or holiday, the report must be received on the first business day after the Saturday, Sunday, or holiday.

Notices associated with requests for temporary relief from specific requirements of the SCCL rule must be provided to the Board when a firm seeks such a request.

### **Public Availability of Data**

No data collected by this information collection are published.

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<sup>24</sup> Note that only advanced approaches firms may request to use internal models. See 12 CFR 217, subpart E.

<sup>25</sup> Firms using IMM use two dedicated columns on Schedule G-4. A firm using CEM would report the gross credit exposure of derivative netting sets (pre-collateral exposure at default) on Schedule G-4, report collateral on Schedule M-1, report net credit exposures by deducting the collateral reported on Schedules M-1 from the gross credit exposures in Schedule G-4, and report risk-shifted exposures on Schedule G-5 for the adjusted market value of non-cash collateral.

<sup>26</sup> Under SA-CCR, collateral is included in both the recovery cost and the potential future exposure. See 12 CFR 217, subpart D.

<sup>27</sup> A respondent organization must report compliance on a quarterly basis, unless the Board determines and notifies the covered company or covered foreign entity in writing that more frequent compliance is required. See sections 252.78(a)(2) and 252.178(a)(3) of Regulation YY and section 238.158(a)(2) of Regulation LL.

## **Legal Status**

The FR 2590 is authorized pursuant to section 165(e) of the Dodd-Frank Act (12 U.S.C. § 5365(e)) and section 5(c) of the Bank Holding Company Act of 1956 (BHC Act) (12 U.S.C. § 1844(c)), with respect to BHCs, FBOs, and IHC,<sup>28</sup> and sections 10(g) and 10(b) of the HOLA, with respect to SLHCs (12 U.S.C. §§ 1467a(b)(2) and (g)(1)). The FR 2590 reporting and recordkeeping requirements are mandatory, and the notice provision related to requests for temporary relief from specific requirements of the SCCL rule is required to obtain a benefit.

The data collected on the FR 2590 form are generally kept confidential under exemption 4 of the Freedom of Information Act (FOIA), which protects from disclosure trade secrets and commercial or financial information (5 U.S.C. § 552(b)(4)), and exemption 8 of FOIA, which protects from disclosure information related to the supervision or examination of a regulated financial institution (5 U.S.C. § 552(b)(8)). Regarding notices associated with requests for temporary relief from specific requirements of the SCCL rule, a firm may request confidential treatment under the Board's rules regarding confidential treatment of information at 12 CFR 261.17. The Board will consider whether such information may be kept confidential in accordance with any applicable FOIA exemption.

## **Consultation Outside the Agency**

There has been no consultation outside the Federal Reserve System with respect to the proposed extension, with revision, of the FR 2590.

## **Public Comments**

On September 11, 2023, the Board published an initial notice in the *Federal Register* (88 FR 62364) requesting public comment for 60 days on the extension, with revision, of the FR 2590. The comment period for this notice expires on November 13, 2023.

## **Estimate of Respondent Burden**

As shown in the table below, the estimated total annual burden for the FR 2590 is 56,719 hours, and would remain the same with the proposed revisions. The Board understands that banks collect and monitor SA-CCR data as part of internal monitoring and risk management of derivative positions. Additionally, SA-CCR collateral reporting is currently part of the FR 2590 reporting requirement and the new Table B will now enable firms to report exposures and collateral under SA-CCR accurately. Therefore, the Board expects that no additional burden would be imposed with these revisions. The estimated number of respondents is based on FR 2590 report form filings as of December 31, 2022. With regard to the notice requirements pertaining to requests for temporary relief from specific requirements of the SCCL rule, only firms that seek such requests need to file any documentation. These reporting and recordkeeping requirements represent less than 1 percent of the Board's total paperwork burden.

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<sup>28</sup> FBOs (and by extension their IHC subsidiaries) are subject to the requirements of the BHC Act pursuant to section 8 of the International Banking Act of 1978 (12 U.S.C. § 3106).

FR 2590	Estimated number of respondents <sup>29</sup>	Estimated annual frequency	Estimated average hours per response	Estimated annual burden hours
<b>Reporting</b>				
Sections 252.73, 252.74, 252.75, 252.76(b), 252.76(c), 252.173, 252.174, 252.175, 252.176(b), and 252.176(c)				
Sections 238.153, 238.154, 238.155, and 238.156				
FR 2590 Form	83	4	170.56	56,626
Sections 252.76(b)(3), 252.76(c)(2), 252.78(c)(2), 252.176(b)(3), 252.176(c)(2), and 252.178(c)(2)				
Sections 238.156(b)(3), 238.156(c)(2), and 238.158(c)(2)				
Requests for temporary relief	1	1	10	10
<b>Recordkeeping</b>	83	4	0.25	<u>83</u>
<i>Total</i>				56,719

The estimated total annual cost to the public for the FR 2590 is \$3,757,634, and would remain the same with the proposed revisions.<sup>30</sup>

## Sensitive Questions

This collection of information contains no questions of a sensitive nature, as defined by OMB guidelines.

## Estimate of Cost to the Federal Reserve System

The estimated cost to the Federal Reserve System for collecting and processing this information collection is \$160,500.

<sup>29</sup> Of these respondents, none are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$850 million in total assets), <https://www.sba.gov/document/support-table-size-standards>.

<sup>30</sup> Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at \$22, 45% Financial Managers at \$80, 15% Lawyers at \$79, and 10% Chief Executives at \$118). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2022*, published April 25, 2023, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.