

FEDERAL RESERVE SYSTEM

Agency information collection activities: Announcement of Board approval under delegated authority and submission to OMB

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY: Notice is hereby given of the final approval of a proposed information collection by the Board of Governors of the Federal Reserve System (Board) under OMB delegated authority. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements, and approved collection of information instrument(s) are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance Officer, Nuha Elmaghrabi, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer, Shagufta Ahmed, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503.

Final approval under OMB delegated authority of the extension for three years, with revision, of the following report:

Report title: Annual Report of Holding Companies; Annual Report of Foreign Banking Organizations; Report of Changes in Organizational Structure; Supplement to the Report of Changes in Organizational Structure.

Agency form number: FR Y-6; FR Y-7; FR Y-10.

OMB Control number: 7100-0297.

Effective Date: The revisions to the FR Y-6 and FR Y-7 organizational chart to fiscal year ends will be effective December 31, 2015. Submission of existing Legal Entity Identifiers (LEI) information would follow the normal FR Y-6 and FR Y-7 submission deadlines (90 and 120 days respectively). The one-time information collection to populate existing LEI data for all FR Y-10 reportable entities (excluding branches), will be effective December 31, 2015, with submissions due no later than January 30, 2016. LEIs issued after December 31, 2015, should be reported with 30 days of the event on the appropriate FR Y-10 schedules.

Frequency: FR Y-6: Annual; FR Y-7: Annual; FR Y-10: Event-generated.

Reporters: Bank holding companies (BHCs) and savings and loan holding companies (SLHCs) (collectively, holding companies (HCs)), securities holding companies, foreign banking organizations (FBOs), state member banks unaffiliated with a BHC, Edge Act and agreement corporations, and nationally chartered banks that are not controlled by a BHC (with regard to their foreign investments only).

Estimated annual reporting hours: FR Y-6: 26,477 hours; FR Y-7: 972 hours; FR Y-10 initial: 530 hours; FR Y-10 ongoing: 39,735 hours.

Estimated average hours per response: FR Y-6: 5.5 hours; FR Y-7: 4 hours; FR Y-10 initial: 1 hour; FR Y-10 ongoing: 2.5 hours.

Number of respondents: FR Y-6: 4,814; FR Y-7: 243; FR Y-10 initial: 530; FR Y-10 ongoing: 5,298.

General description of report: These information collections are mandatory as follows:

FR Y-6: Section 5(c)(1)(A) of the Bank Holding Company Act (BHC Act) (12 U.S.C. 1844(c)(1)(A)), sections 8(a) and 13(a) of the International Banking Act (IBA) (12 U.S.C. 3106(a) and 3108(a)), sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. 248(a)(1), 602, and 611a), and sections 113, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. 5361, 5412, 1850a(c)(1), and 5468(b)(1), respectively).

FR Y-7: Sections 8(a) and 13(a) of the IBA (12 U.S.C. 3106(a) and 3108(a)) and sections 113, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. 5361, 5412, 1850a(c)(1), and 5468(b)(1), respectively).

FR Y-10: Sections 4(k) and 5(c)(1)(A) of the BHC Act (12 U.S.C. 1843(k), 1844(c)(1)(A)), section 8(a) of the IBA (12 U.S.C. 3106(a)), sections 11(a)(1), 25(7), and 25A of the Federal Reserve Act (12 U.S.C. 248(a)(1), 321, 601, 602, 611a, 615, and 625), and sections 113, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. 5361, 5412, 1850a(c)(1), and 5468(b)(1), respectively).

The data collected in the FR Y-6, FR Y-7, and FR Y-10 are not considered confidential. With regard to information that a banking organization may deem confidential, the institution may request confidential treatment of such information under one or more of the exemptions in the Freedom of Information Act (FOIA) (5 U.S.C. 552). The most likely case for confidential treatment will be based on FOIA exemption 4, which permits an agency to exempt from disclosure “trade secrets and commercial or financial information obtained from a person and privileged and confidential,” (5 U.S.C. 552(b)(4)). To the extent an institution can establish the potential for substantial competitive harm, such information would be protected from disclosure under the standards set forth in National Parks & Conservation Association v. Morton, 498 F.2d 765 (D.C. Cir. 1974). Exemption 6 of FOIA might also apply with regard to the respondents’

submission of non-public personal information of owners, shareholders, directors, officers and employees of respondents. Exemption 6 covers “personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,” (5 U.S.C. 552(b)(6)). All requests for confidential treatment would need to be reviewed on a case-by-case basis and in response to a specific request for disclosure.

Abstract: The FR Y-6 is an annual information collection submitted by top-tier HCs and non-qualifying FBOs. It collects financial data, an organization chart, verification of domestic branch data, and information about shareholders. The Federal Reserve uses the data to monitor holding company operations and determine holding company compliance with the provisions of the BHC Act, Regulation Y (12 CFR. 225), the Home Owners’ Loan Act (HOLA), and Regulation LL (12 CFR 238).

The FR Y-7 is an annual information collection submitted by qualifying FBOs to update their financial and organizational information with the Federal Reserve. The FR Y-7 collects financial, organizational, and managerial information. The Federal Reserve uses information to assess an FBO’s ability to be a continuing source of strength to its U.S. operations, and to determine compliance with U.S. laws and regulations.

The FR Y-10 is an event-generated information collection submitted by FBOs; top-tier HCs; security holding companies as authorized under Section 618 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (12 U.S.C. 1850a(c)(1)); state member banks unaffiliated with a BHC; Edge Act and agreement corporations that are not controlled by a member bank, a domestic BHC, or a FBO; and nationally chartered banks that are not controlled by a BHC (with regard to their foreign investments only) to capture changes in their regulated investments and activities. The Federal Reserve uses the data to monitor structure information on subsidiaries and regulated investments of these entities engaged in banking and nonbanking activities.

Current Actions: On March 20, 2015, the Federal Reserve published a notice in the *Federal Register* (80 FR 15009) requesting public comment for 60 days on the revision, with extension, of the FR Y-6, FR Y-7, and FR Y-10. The comment period for this notice expired on May 19, 2015. The Federal Reserve received three comment letters regarding the proposed revision to the FR Y-6, FR Y-7, and FR Y-10 from one industry association and two banking associations. All commenters expressed support for the proposal. One commenter urged the Federal Reserve to expand the LEI collection to require an LEI from all entities even if an LEI had not already been assigned. Two commenters requested clarification of the method to collect the one-time submission and also requested the effective date for the revisions be delayed to December 31, 2015.

Detailed Discussion of Comments

In March 2015, the Federal Reserve proposed to collect the LEI for all banking and nonbanking legal entities reportable on the Banking, Non-Banking, SLHC, and 4K schedules (not the Branch schedules) of the FR Y-10 and on the Organization Chart section of the FR Y-6 and FR Y-7 if one has already been issued for the reportable entity at the time of collection. The Federal

Reserve did not propose to require an LEI to be obtained for the sole purpose of reporting the LEI on the FR Y-6, FR Y-7, and FR Y-10. One commenter urged the Federal Reserve to expand the LEI collection to require an LEI from all entities even if an LEI had not already been assigned. The Federal Reserve understands the benefit of the LEI to uniquely identify parties to financial transactions, but will not mandate it at this time due to the burden on institutions, and especially small institutions.

Two commenters also requested clarification of the format for the submission of the one-time collection of the LEI. One commenter asked that the Federal Reserve provide an Excel spreadsheet listing all eligible legal entities. The appropriate Reserve Bank will provide each top-tier institution with an Excel spreadsheet populated with the legal name and RSSD number for each entity within an organization's tier structure. Institutions will be able to enter the LEI for those entities that already have one.

Two commenters requested a delay of the implementation of the proposed collection of the LEI from the top-tier holding company and any of its subsidiaries that already have an LEI due to the complex and manual validation process. One commenter stated that reporters are often not the majority interest holders for a reportable entity, and thus not responsible for registering the LEI for these entities. Obtaining LEI's for these legal entities would require contacting each majority interest holder separately to ascertain if the entity has an LEI. Therefore, they requested that the effective date be delayed from June 30, 2015, to December 31, 2015. After consideration of these comments, the Federal Reserve will delay the effective date of the revisions to the FR Y-6 and FR Y-7 organizational chart to fiscal year ends beginning December 31, 2015. Submission of existing LEI information will follow the normal FR Y-6 and FR Y-7 submission deadlines (90 and 120 days respectively). The one-time information collection to populate existing LEI data for all FR Y-10 reportable entities (excluding branches), will also be effective December 31, 2015, with submissions due no later than January 30, 2016. LEIs issued after December 31, 2015, should be reported with 30 days of the event on the appropriate FR Y-10 schedules.

One commenter provided additional comments outside the scope of the current proposal. The Federal Reserve will investigate each comment and give consideration to these comments when the Federal Reserve next revises the reports.

Final approval under OMB delegated authority of the extension for three years, without revision, of the following report:

Report title: Supplement to the Report of Changes in Organizational Structure.

Agency form number: FR Y-10E.

OMB Control number: 7100-0297.

Frequency: Event-generated.

Reporters: Bank holding companies (BHCs) and savings and loan holding companies (SLHCs) (collectively, holding companies (HCs)), securities holding companies, foreign banking

organizations (FBOs), state member banks unaffiliated with a BHC, Edge Act and agreement corporations, and nationally chartered banks that are not controlled by a BHC (with regard to their foreign investments only).

Estimated annual reporting hours: 2,649 hours.

Estimated average hours per response: 0.5 hours.

Number of respondents: 5,298.

General description of report: These information collections are mandatory as follows: Sections 4(k) and 5(c)(1)(A) of the BHC Act (12 U.S.C. 1843(k), 1844(c)(1)(A)), section 8(a) of the IBA (12 U.S.C. 3106(a)), sections 11(a)(1), 25(7), and 25A of the Federal Reserve Act (12 U.S.C. 248(a)(1), 321, 601, 602, 611a, 615, and 625), and sections 113, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. 5361, 5412, 1850a(c)(1), and 5468(b)(1), respectively).

The data collected in the FR Y-10E are not considered confidential. With regard to information that a banking organization may deem confidential, the institution may request confidential treatment of such information under one or more of the exemptions in the Freedom of Information Act (FOIA) (5 U.S.C. 552). The most likely case for confidential treatment will be based on FOIA exemption 4, which permits an agency to exempt from disclosure “trade secrets and commercial or financial information obtained from a person and privileged and confidential,” (5 U.S.C. 552(b)(4)). To the extent an institution can establish the potential for substantial competitive harm, such information would be protected from disclosure under the standards set forth in National Parks & Conservation Association v. Morton, 498 F.2d 765 (D.C. Cir. 1974). Exemption 6 of FOIA might also apply with regard to the respondents’ submission of non-public personal information of owners, shareholders, directors, officers and employees of respondents. Exemption 6 covers “personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy,” (5 U.S.C. 552(b)(6)). All requests for confidential treatment would need to be reviewed on a case-by-case basis and in response to a specific request for disclosure.

Abstract: The FR Y-10E is a free-form supplement that may be used to collect additional structural information deemed to be critical and needed in an expedited manner.

Current Actions: On March 20, 2015, the Federal Reserve published a notice in the *Federal Register* (80 FR 15009) requesting public comment for 60 days on the extension, without revision, of the FR Y-10E. The comment period for this notice expired on May 19, 2015. The Federal Reserve did not receive any comments. The information collection will be extended for three years, without revision, as proposed.

Board of Governors of the Federal Reserve System, June 26, 2015.

**Robert deV. Frierson,
Secretary of the Board.**