

**Supporting Statement for the  
Financial Statements for Holding Companies  
(FR Y-9; OMB No. 7100-0128)**

**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 Financial Statements for Holding Companies (FR Y-9; OMB No. 7100-0128). This information collection comprises the following five reports:

- Consolidated Financial Statements for Holding Companies (FR Y-9C),
- Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP),
- Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP),
- Financial Statements for Employee Stock Ownership Plan Holding Companies (FR Y-9ES), and
- Supplement to the Consolidated Financial Statements for Holding Companies (FR Y-9CS).

The Board requires bank holding companies (BHCs), most savings and loan holding companies (SLHCs), securities holding companies, and U.S. intermediate holding companies (IHCs) (collectively, HCs) to provide standardized financial statements through one or more of the FR Y-9 reports.<sup>1</sup> The information collected on the FR Y-9 reports is necessary for the Board to identify emerging financial risks and monitor the safety and soundness of HC operations.

The Board proposes to revise the FR Y-9C and FR Y-9LP reporting forms and instructions to be consistent with changes to U.S. generally accepted accounting principles (GAAP) related to troubled debt restructurings (TDRs). All proposed changes to the FR Y-9C and FR Y-9LP would take effect as of the December 31, 2024, report date. There are no proposed revisions at this time for the FR Y-9SP, FR Y-9ES, or FR Y-9CS.

The current estimated total annual burden for the FR Y-9 is 114,489 hours and would remain the same. The FR Y-9 forms and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms>.

**Background and Justification**

The FR Y-9 reports are the Board's primary source of financial data from HCs. Federal Reserve System examiners rely on the FR Y-9 reports to supervise HCs between on-site inspections. The Board uses the collected data to detect emerging financial problems, conduct pre-inspection analysis, monitor and evaluate capital adequacy, evaluate mergers and acquisitions, and analyze an HC's overall financial condition to monitor the safety and soundness

---

<sup>1</sup> The following SLHCs are exempt: (1) a unitary savings and loan holding company with primarily commercial assets that meets the requirements of section 10(c)(9)(c) of the Home Owners' Loan Act (HOLA), for which thrifts make up less than 5 percent of its consolidated assets and (2) an SLHC that primarily holds insurance-related assets and does not otherwise submit financial reports with the Securities and Exchange Commission pursuant to sections 13 or 15(d) of the Securities Exchange Act of 1934.

of its operations. The information collected by the FR Y-9 reports is not available from other sources.

## **Description of Information Collection**

The FR Y-9C consists of standardized financial statements for HCs similar to the Call Reports filed by commercial banks. The FR Y-9C collects consolidated data and is filed quarterly by top-tier HCs with total consolidated assets of \$3 billion or more.<sup>2</sup>

The FR Y-9LP, which collects parent company only financial data, must be submitted quarterly by each HC that files the FR Y-9C, as well as by each of its subsidiary HCs.<sup>3</sup> The report consists of standardized financial statements, including the following schedules: Income Statement, Cash Flow Statement, Balance Sheet, Investments in Subsidiaries and Associated Companies, Memoranda, and Notes to the Parent Company Only Financial Statements.

The FR Y-9SP is a parent company only financial statement filed semiannually by HCs with total consolidated assets of less than \$3 billion. In a banking organization with total consolidated assets of less than \$3 billion that has tiered HCs, each HC in the organization must submit, or have the top-tier HC submit on its behalf, a separate FR Y-9SP. This report collects basic balance sheet and income data for the parent company, as well as data on its intangible assets and intercompany transactions.

The FR Y-9ES is filed annually by each employee stock ownership plan (ESOP) that is also an HC. The report collects financial data on the ESOP's benefit plan activities. The FR Y-9ES consists of four schedules: Statement of Changes in Net Assets Available for Benefits, Statement of Net Assets Available for Benefits, Memoranda, and Notes to the Financial Statements.

The instructions to each of the FR Y-9C, FR Y-9LP, FR Y-9SP, and FR Y-9ES state that respondent HCs should retain workpapers and other records used in the preparation of the reports for a period of three years following submission. In addition, HCs must maintain in their files a manually signed and attested printout of the data submitted under each form for a period of three years.

The FR Y-9CS is a voluntary, free-form supplemental report that the Board may utilize to collect critical additional data deemed to be needed from HCs in an expedited manner. The FR Y-9CS data collections are used to assess and monitor emerging issues related to HCs, and the report is intended to supplement the other FR Y-9 reports. The data requested by the FR Y-9CS would depend on the Board's data needs in any given situation. For example, changes made by the Financial Accounting Standards Board (FASB) may introduce into GAAP new data items that are not currently collected by the other FR Y-9 reports. The Board could use the

---

<sup>2</sup> Under certain circumstances described in the FR Y-9C's General Instructions, HCs with assets under \$3 billion may be required to file the FR Y-9C.

<sup>3</sup> A top-tier HC may submit a separate FR Y-9LP on behalf of each of its lower-tier HCs.

FR Y-9CS report to collect these data until the items are implemented into the other FR Y-9 reports.<sup>4</sup>

## **Respondent Panel**

The FR Y-9 panel comprises HCs. Specifically, the FR Y-9C panel comprises top-tier HCs with total consolidated assets of \$3 billion or more; the FR Y-9LP panel comprises each HC that files the FR Y-9C, as well as by each of its subsidiary HCs; the FR Y-9SP panel comprises HCs with total consolidated assets of less than \$3 billion;<sup>5</sup> the FR Y-9ES panel comprises each ESOP that is also an HC; and the FR Y-9CS panel consists of any HC the Board selects.<sup>6</sup> Most small HCs file the streamlined parent only FR Y-9SP report semiannually.

## **Frequency and Time Schedule**

The FR Y-9C and FR Y-9LP are filed quarterly as of the last calendar day of March, June, September, and December. The filing deadline for the FR Y-9C is 40 calendar days after the March 31, June 30, and September 30 as of dates and 45 calendar days after the December 31 as of date. The filing deadline for the FR Y-9LP is 45 calendar days after the quarter-end as of date. The FR Y-9SP is filed semiannually as of the last calendar day of June and December, and the filing deadline is 45 calendar days after the as of date. The annual FR Y-9ES is collected as of December 31, and the filing deadline is July 31 of the following year, unless an extension to file by October 15 is granted. Respondents will be notified of the filing deadline for the FR Y-9CS if it is utilized by the Board.

If the above submission deadlines for the FR Y-9C, FR Y-9LP, FR Y-9SP, and FR Y-9ES fall on a weekend or holiday, the reports must be received on the first business day after the Saturday, Sunday, or holiday. The reports are due by the end of the reporting day on the submission date (i.e., 5:00 P.M. at each of the Reserve Banks).

---

<sup>4</sup> The FR Y-9CS was most recently used by the Board on June 30, 2008. In that collection, data were requested from banking organizations implementing an Advanced Measurement Approach to calculate operational risk capital under the Basel II Risk-Based Capital Framework. The report was used to conduct a voluntary Loss Data Collection Exercise relating to operational risk.

<sup>5</sup> The following HCs do not have to file holding company financial statements under the FR Y-9C, FR Y-9LP, and FR Y-9SP: (1) HCs that has been granted an exemption under section 4(d) of the Bank Holding Company Act of 1956 and (2) a “qualified foreign banking organization” as defined by section 211.23(a) of Regulation K (12 CFR 211.23(a)) that controls a U.S. subsidiary bank.

<sup>6</sup> The Reserve Bank with whom a reporting HC files its reports may require that a HC with total consolidated assets of less than \$3 billion submit the FR Y-9C and the FR Y-9LP reports to meet supervisory needs. In addition, any HC that is not subject to the Federal Reserve’s Capital Adequacy Guidelines, but nonetheless elects to comply with the guidelines, are required to file a complete FR Y-9C and FR Y-9LP report, and generally would not be permitted to revert back to filing the FR Y-9SP report in any subsequent periods. See footnote 2 of the general instructions for the FR Y-9C for more information.

## **Proposed Revision to the FR Y-9C**

### **Accounting Standards Update 2022-02, “Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures (ASU 2022-02)”**

On March 31, 2022, the FASB issued ASU 2022-02 which eliminates the TDR recognition and measurement guidance for entities that have adopted ASU 2016-13, “Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.” Instead of identifying and accounting for TDRs separately from other loan modifications, all loans modified from the beginning of the fiscal year in which the new standard is adopted by an HC would be accounted for in accordance with Accounting Standards Codification (ASC) 310-20-35, “Receivables - Nonrefundable Fees and Other Costs - Subsequent Measurement”, as amended by ASU 2022-02. In addition, the new standard enhances financial statement disclosure requirements for certain loan modifications to borrowers experiencing financial difficulty. These disclosures include qualitative information regarding how initial modifications and subsequent performance of such modifications impact the allowance for credit losses.

Under ASU 2022-02, HCs would only include loans that were modified to borrowers experiencing financial difficulty from the beginning of the fiscal year of adoption and in subsequent periods in their disclosures for financial statement purposes. TDRs or modifications made prior to the beginning of the fiscal year of adoption would not be included in these enhanced disclosures in the period of adoption or in any subsequent periods.

Additionally, per ASU 2022-02, an HC would not be required to use a discounted cash flow (DCF) approach to measure the allowance for credit loss on the modified loans. However, if an HC chooses to use a DCF approach, it would be required to use the post-modification expected interest rate to discount expected cash flows. Modified loans for which repayment is expected to be provided substantially through the operation or sale of the collateral when the borrower is experiencing financial difficulty would still be considered to be collateral-dependent. For regulatory reporting purposes, the allowance for credit losses for a collateral-dependent loan would continue to be measured using the fair value of collateral (less cost to sell, when appropriate), regardless of whether foreclosure is probable.

ASU 2022-02 was effective for all HCs as of December 31, 2023, and eliminates the recognition and measurement accounting guidance for TDRs. HCs should no longer report TDRs on FR Y-9C Schedules HC-C, Loans and Leases, and HC-N, Past Due and Nonaccrual Loans, Leases, and Other Assets, as well as on FR Y-9LP Schedule PC-B, Memoranda. To be consistent with GAAP recognition and disclosure requirements, the Board proposes to revise the FR Y-9C and FR Y-9LP form and instructions to align with the definition of loan modifications to borrowers experiencing financial difficulty. Specifically, the Board is proposing to replace, as appropriate, references to “troubled debt restructurings” with “loan modifications to borrowers experiencing financial difficulty” in the FR Y-9C and FR Y-9LP form and instructions, and to update the Glossary to reflect the change in accounting for modifications to borrowers experiencing financial difficulty. The instructional changes would be consistent with the

references to “loan modifications to borrowers experiencing financial difficulty” on the report forms.

These changes would assist the Board in gaining a better understanding of banks’ credit exposures. Specifically, the loan modifications to borrowers experiencing financial difficulty data reported in FR Y-9C Schedule HC-C, Memorandum item 1, and Schedule HC-N, Memorandum item 1 would enable the Board to better understand the level of loan modification activity at HCs and the categories of loans involved in this activity. The Board would benefit from having reliable data about modification activity that is captured outside of the on-site examination process. This data would provide the Board with information to assess the loan quality and performance of modified loans.

The proposed revisions to specific data items resulting from the elimination of the TDR recognition and measurement guidance would be revised in the FR Y-9C and FR Y-9LP forms and instructions as of the December 31, 2024, report date.

Through March 31, 2024, the quarterly Supplemental Instructions for the FR Y-9C will include guidance on reporting the data items related to loan modifications to borrowers experiencing financial difficulty.

The Board proposes to revise the FR Y-9C as discussed in detail below.

- A. **Schedule HC-C, Loans and Leases, Memorandum item 1, and Schedule HC-N, Past Due and Nonaccrual Loans, Leases, and Other Assets, Memorandum item** - HCs would report detail on loan modifications to borrowers experiencing financial difficulty in Schedule HC-C, Memorandum item 1, and Schedule HC-N, Memorandum item 1. The modifications reported in these Memoranda items would need to meet the definition of “loan modifications to borrowers experiencing financial difficulty” as described in ASU 2022-02, which includes only those modifications which occurred in the previous 12 months.<sup>7</sup> Loan modifications to borrowers experiencing financial difficulty include financing receivables that had been modified in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay or a term extension (or a combination thereof). The FR Y-9C report form and instructions would be updated to include, in the item descriptions and instructions, references to “loan modifications to borrowers experiencing financial difficulty” and remove references to the TDR framework.
- B. **Schedule HC-M, Memoranda, Item 13** - HCs would report other real estate owned in Schedule HC-M, Memoranda, item 13. However, instructional references to ASC Subtopic 310-40, “Receivables-Troubled Debt Restructurings by Creditors” would be updated to ASC Subtopic 310-20, “Receivables-Nonrefundable Fees and Other Costs.” The FR Y-9C instructions would be updated to include the updated codification references.

---

<sup>7</sup> ASU 2022-02 requires disclosures on modifications to borrowers experiencing financial difficulty made “within the previous 12 months preceding the payment default when the debtor was experiencing financial difficulty at the time of the modification”. See ASC 310-10-50-44.

- C. **Glossary** - To address the elimination of the TDR recognition and measurement guidance in ASU 2022-02, the Board proposes to revise, as appropriate, the following Glossary entries to provide additional information for those HCs that have adopted ASU 2022-02 and to remove redundant entries: (1) “Allowance for Credit Losses,” (2) “Foreclosed Assets,” (3) “Loan Fees,” (4) “Nonaccrual Status,” (5) “Renegotiated Troubled Debt,” (6) “Troubled Debt Restructurings,” (7) “Loan Impairment,” and (8) “Purchased Credit-Debt Securities.” Additionally, a new entry for “Loan Modifications to Borrowers Experiencing Financial Difficulty” would be included in the Glossary.

### **Proposed Revision to the FR Y-9LP**

The Board proposes to make changes to the FR Y-9LP instructions to mirror the FR Y-9C related to ASU 2022-02.

HCs would report detail on “loan modifications to borrowers experiencing financial difficulty” in Schedule PC-B, Memoranda, item 8. The modifications reported in this item would need to meet the definition of “loan modifications to borrowers experiencing financial difficulty” as described in ASU 2022-02. The FR Y-9LP form and instructions would be updated to include references to “loan modifications to borrowers experiencing financial difficulty and remove references to the TDR Framework. These changes would take effect beginning with the December 31, 2024, as of date.

The Board invites comment on this proposal and acknowledges that this proposal to report “loan modifications to borrowers experiencing financial difficulty” may diverge from the proposed changes to the Call Report.<sup>8</sup> Therefore, the Board is specifically interested in the following:

1. What challenges, if any, would HCs face if the FR Y-9C and FR Y-9LP reporting definitions were out of sync with the Call Report?
2. What challenges, if any, would HCs face if loan modifications to borrowers experiencing financial difficulty were reported on the FR Y-9C and FR Y-9LP using a 12-month lookback, and different lookback criteria were used on the Call Report? If the Call Report used different lookback criteria, would it be preferable for the FR Y-9C and FR Y-9LP to adopt the same definition?

### **Public Availability of Data**

Data from the FR Y-9 reports that are not granted confidential treatment as described below are publicly available on the FFIEC website: <https://www.ffiec.gov/NPW>.

### **Legal Status**

---

<sup>8</sup> See [88 FR 66933](#) (September 28, 2023)

The reporting and recordkeeping requirements associated with the FR Y-9 are authorized for BHCs pursuant to section 5 of the Bank Holding Company Act of 1956 (BHC Act) (12 U.S.C. § 1844); for SLHCs pursuant to section 10(b)(2) and (3) of the HOLA (12 U.S.C. §§ 1467a(b)(2) and (3)); for IHCs pursuant to section 5 of the BHC Act, as well as pursuant to sections 102(a)(1) and 165 of the Dodd-Frank Wall Street and Consumer Protection Act (Dodd-Frank Act) (12 U.S.C. §§ 5311(a)(1) and 5365);<sup>9</sup> and for securities holding companies pursuant to section 618 of the Dodd-Frank Act (12 U.S.C. § 1850a(c)(1)(A)). Except for the FR Y-9CS report, which is collected on a voluntary basis, the obligation to submit the remaining reports in the FR Y-9 series of reports and to comply with the recordkeeping requirements set forth in the respective instructions to each of the other reports is mandatory.

Certain information collected on the FR Y-9C and FR Y-9SP reports is kept confidential by the Board. The following items are kept confidential under exemption 4 of the Freedom of Information Act (FOIA) because these data items reflect commercial and financial information that is both customarily and actually treated as private by the respondent (12 U.S.C. § 552(b)(4)):

- FR Y-9C, Schedule HI, memoranda item 7(g), “FDIC deposit insurance assessments,”
- FR Y-9C, Schedule HC-P, item 7(a) “Representation and warranty reserves for 1-4 family residential mortgage loans sold to U.S. government agencies and government sponsored agencies,”
- FR Y-9C, Schedule HC-P, item 7(b) “Representation and warranty reserves for 1-4 family residential mortgage loans sold to other parties,”
- FR Y-9C, Schedule HC-C, Part I, memorandum items 16.a and 16.b, for eligible loan modifications under Section 4013 of the 2020 Coronavirus Aid, Relief, and Economic Security Act, and
- FR Y-9C, Schedule HC and FR Y-9SP, Schedule SC, Memoranda item 2.b, the name and email address of the external auditing firm’s engagement partner.<sup>10</sup>

In some circumstances, disclosing these data items may also reveal confidential examination and supervisory information protected from disclosure under exemption 8 of the FOIA (12 U.S.C. § 552(b)(8)). The Board has previously assured submitters that these data items will be treated as confidential.

In addition, the Chief Executive Officer Contact Information section of both the FR Y-9C and FR Y-9SP is kept confidential pursuant to FOIA exemption 6, which applies to personnel

---

<sup>9</sup> Section 165(b)(2) of Title I of the Dodd-Frank Act (12 U.S.C. § 5365(b)(2)), refers to “foreign-based bank holding company.” Section 102(a)(1) of the Dodd-Frank Act (12 U.S.C. § 5311(a)(1)), defines “bank holding company” for purposes of Title I of the Dodd-Frank Act to include foreign banking organizations that are treated as bank holding companies under section 8(a) of the International Banking Act of 1978 (12 U.S.C. § 3106(a)). The Board has required, pursuant to section 165(b)(1)(B)(iv) of the Dodd-Frank Act (12 U.S.C. § 5365(b)(1)(B)(iv)), certain foreign banking organizations subject to section 165 of the Dodd-Frank Act to form U.S. intermediate holding companies. Accordingly, the parent foreign-based organization of a U.S. IHC is treated as a BHC for purposes of the BHC Act and section 165 of the Dodd-Frank Act. Because section 5(c) of the BHC Act authorizes the Board to require reports from subsidiaries of BHCs, section 5(c) provides additional authority to require U.S. IHCs to report the information contained in the FR Y-9.

<sup>10</sup> The Board has assured respondents that this information will be treated as confidential since the collection of this data item was proposed in 2004, under the assumption that the identity of the engagement partner is treated as private information by HCs.

and medical files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy (5 U.S.C. § 552(b)(6)), and exemption 8, which applies to information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions (5 U.S.C. § 552(b)(8)).

Aside from the data items described above, data collected by the FR Y-9 reports generally are not accorded confidential treatment. However, as provided in the Board's Rules Regarding Availability of Information,<sup>11</sup> a respondent may request confidential treatment for any data items the respondent believes should be withheld pursuant to a FOIA exemption. The Board will review any such request to determine if confidential treatment is appropriate and will inform the respondent if the request for confidential treatment has been granted or denied.

To the extent that the instructions to the FR Y-9 reports direct the financial institution to retain the workpapers and related materials used in preparation of each report, such material would only be obtained by the Board as part of the examination or supervision of the financial institution. Accordingly, such information is considered confidential pursuant to exemption 8 of the FOIA (5 U.S.C. § 552(b)(8)). In addition, the workpapers and related materials may also be protected by exemption 4 of the FOIA, to the extent such financial information is customarily and actually treated as private by the respondent (5 U.S.C. § 552(b)(4)).

### **Consultation Outside the Agency**

The Board consulted with the FDIC and OCC regarding the proposed revisions.

### **Public Comments**

On June 7, 2024, the Board published an initial notice in the *Federal Register* (89 FR 48637) requesting public comment for 60 days on the extension, with revision, of the FR Y-9. The comment period for this notice will expire on August 6, 2024.

### **Estimate of Respondent Burden**

As shown in the table below, the estimated total annual burden for the FR Y-9 is 114,489 hours, and would remain the same with the proposed revisions. These reporting and recordkeeping requirements represent 1.7 percent of the Board's total paperwork burden.

---

<sup>11</sup> 12 CFR Part 261.



<b>FR Y-9</b>	<i>Estimated number of respondents<sup>12</sup></i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
<b>Reporting</b>				
FR Y-9C (non AA <sup>13</sup> HCs) with less than \$5 billion in total assets	107	4	35.34	15,126
FR Y-9C (non AA HCs) with \$5 billion or more in total assets	236	4	44.54	42,046
FR Y-9C (AA HCs)	9	4	49.76	1,791
FR Y-9LP	411	4	5.27	8,664
FR Y-9SP	3,596	2	5.45	39,196
FR Y-9ES	73	1	0.50	37
FR Y-9CS	236	4	0.50	472
<b>Recordkeeping</b>				
FR Y-9C	352	4	1.00	1,408
FR Y-9LP	411	4	1.00	1,644
FR Y-9SP	3,596	2	0.50	3,596
FR Y-9ES	73	1	0.50	37
FR Y-9CS	236	4	0.50	<u>472</u>
<i>Total</i>				114,489

The estimated total annual cost to the public for the FR Y-9 is \$7,584,896, and would remain unchanged with the proposed revisions.<sup>14</sup>

<sup>12</sup> Of these respondents, 5 FR Y-9C (non AA HCs) with less than \$5 billion in total assets filers; 212 FR Y-9LP filers; 3,492 FR Y-9SP filers; and 73 FR Y-9ES filers are considered small entities as defined by the Small Business Administration (i.e., entities with less than \$850 million in total assets). Size standards effective March 17, 2023. See <https://www.sba.gov/document/support-table-size-standards>. There are no accommodations given to mitigate the burden on small entities. The respondent counts are as of December 31, 2021.

<sup>13</sup> A holding company that is subject to the advanced approaches capital rule (i.e., an advanced approaches institution as defined in the Board's capital rules) is (i) a global systemically important bank holding company, as identified pursuant to 12 CFR 217.402, (ii) a Category II institution, (iii) a subsidiary of a holding company that uses the advanced approaches pursuant to 12 CFR Part 217 (Board) to calculate its risk-based capital requirements, or (iv) a holding company that elects to use the advanced approaches to calculate its risk-based capital requirements. Category II institutions include institutions with (1) at least \$700 billion in total consolidated assets or (2) at least \$75 billion in cross-jurisdictional activity and at least \$100 billion in total consolidated assets. In addition, depository institution subsidiaries of Category II institutions are considered Category II institutions.

<sup>14</sup> Total cost to the responding public is estimated using the following formula: total burden hours, multiplied by the cost of staffing, where the cost of staffing is calculated as a percent of time for each occupational group multiplied by the group's hourly rate and then summed (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/>.

### **Sensitive Questions**

These collections of information contain 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 the FR Y-9 reports is \$1,922,439.