



FIL-70-2010
October 25, 2010

BANK REPORTS

TO: CHIEF EXECUTIVE OFFICER (also of interest to Chief Financial Officer)

SUBJECT: Proposed Revisions to Consolidated Reports of Condition and Income (Call Report) for 2011

The Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board (Board), and the Office of the Comptroller of the Currency (OCC) are requesting comment on several proposed revisions to the Call Report that would take effect March 31, 2011. The agencies encourage you to review the proposal, which has been approved by the Federal Financial Institutions Examination Council (FFIEC), and comment on those aspects of interest to you. Comments may be sent to any or all of the agencies by the methods described in the attached Federal Register notice. All comments will be shared among the agencies and should be submitted by November 29, 2010. The FFIEC and the agencies will consider all comments as they finalize the revisions to the Call Report.

The proposed Call Report revisions are intended to provide data to meet safety-and-soundness needs or for other public purposes. The revisions would assist the agencies in gaining a better understanding of banks' credit and liquidity risk exposures, primarily through enhanced data on lending and securitization activities and sources of deposits. The agencies are also proposing certain revisions to the Call Report instructions. The proposed reporting changes include:

- A breakdown by loan category of the existing Memorandum items for loans that are troubled debt restructurings in Schedule RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets, and Schedule RC-C, part I – Loans and Leases, as well as the elimination of the exclusion from reporting restructured troubled consumer loans in these items;
- The addition of automobile loans as a new separate loan category in the Call Report schedules in which loan data are reported: Schedule RC-C, part I, Schedule RC-K – Quarterly Averages, Schedule RC-N, Schedule RI – Income Statement, and Schedule RI-B, part I – Charge-offs and Recoveries on Loans and Leases;
- A breakdown of the existing items for commercial mortgage-backed securities between those issued or guaranteed by U.S. Government agencies and sponsored agencies and those not issued or guaranteed by these agencies in Schedule RC-B – Securities, and Schedule RC-D – Trading Assets and Liabilities;
- A new item for the estimated amount of nonbrokered deposits obtained through the use of deposit listing service companies in Schedule RC-E – Deposit Liabilities;
- A breakdown of the existing items for deposits of individuals, partnerships, and corporations between the deposits of individuals and the deposits of partnerships and corporations in Schedule RC-E;

- A new Schedule RC-V, Variable Interest Entities, for reporting the assets of consolidated variable interest entities (VIEs) that can be used only to settle the VIEs' obligations, the liabilities of consolidated VIEs without recourse to the bank's general credit, and the other assets and liabilities of consolidated VIEs, with these data reported separately for securitization trusts, asset-backed commercial paper conduits, and other VIEs;
- Breakdowns by category of the existing items for loans and other real estate owned covered by FDIC loss-sharing agreements in Schedule RC-M – Memoranda, along with a breakdown by loan category of past due and nonaccrual covered loans in Schedule RC-N;
- A breakdown of the existing item for "Life insurance assets" in Schedule RC-F – Other Assets, into items for general account and separate account life insurance assets;
- New items for the total assets of captive insurance and reinsurance subsidiaries in Schedule RC-M;
- New Memorandum items in Schedule RI for credit valuation adjustments and debit valuation adjustments included in trading revenues for banks with total assets of \$100 billion or more;
- A change in reporting frequency from annual to quarterly for the data reported in Schedule RC-T – Fiduciary and Related Services, on collective investment funds and common trust funds for banks with fiduciary assets greater than \$250 million or gross fiduciary income greater than 10 percent of bank revenue; and
- Instructional revisions that would:
 - Clarify the reporting of construction loans following the completion of construction in Schedule RC-C, part I, and other schedules that collect loan data;
 - Incorporate residential mortgages held for trading within the scope of Schedule RC-P – 1-4 Family Residential Mortgage Banking Activities; and
 - Revise the treatment of assets and liabilities whose interest rates have reached contractual ceilings or floors for purposes of reporting maturity and repricing data in Schedule RC-B, Schedule RC-C, part I, Schedule RC-E, and Schedule RC-M.

To assist you in understanding the proposed changes to the Call Report, drafts of the report forms for March 2011 are expected to be available for your review on the FFIEC's Web site (www.ffiec.gov/ffiec_report_forms.htm) by November 5, 2010. Draft instructions for the proposed reporting changes will be posted on the FFIEC's Web site for your review at a later date.

For further information about the proposed reporting revisions, please contact Robert Storch at the FDIC (202-898-8906), Robert Maahs at the Board (202-872-4935), or Amanda Freedle at the OCC (202-874-3761).

Paul T. Sanford
Executive Secretary

Attachment

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