Title: Tobacco Products Importer or Manufacturer—Records of Large Cigar Wholesale Prices.

OMB Control Number: 1513–0071.

TTB Recordkeeping Number: 5230/1.

Abstract: This information collection is used by tobacco products importers or manufacturers who import or make large cigars. Records are needed to verify wholesale prices of those cigars as the tax is based on those prices. This collection also ensures that all tax revenue due to the government is collected. The record retention requirement for this information collection is 3 years.

Current Actions: We are submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 818.

Estimated Total Annual Burden Hours: 1,906.

Title: Recordkeeping for Tobacco Products and Cigarette Papers or Tubes Brought from Puerto Rico to the U.S.

OMB Control Number: 1513–0108.

TTB Form or Recordkeeping Number: None.

Abstract: The prescribed recordkeeping requirements apply to persons who ship tobacco products or cigarette papers or tubes from Puerto Rico to the United States. The records verify the amount of taxes to be paid and that any required bond is sufficient to cover unpaid liabilities. The records must be retained for 3 years.

Current Actions: We are submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 4.

Estimated Total Annual Burden Hours: 1.

Dated: December 17, 2009.

Francis W. Foote,

Director, Regulations and Rulings Division.

[FR Doc. E9–30446 Filed 12–22–09; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Office of Thrift Supervision

Submission for OMB Review; Comment Request—Thrift Financial Report: Schedules SC, CC, DI, SI, SB, and RM

AGENCY: Office of Thrift Supervision (OTS), Treasury.

ACTION: Notice and request for comment.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), OTS 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. On August 19, 2009, OTS requested public comment for 60 days (74 FR 41981) on a proposal to extend, with revisions, the Thrift Financial Report (TFR), which is currently an approved collection of information. The notice described regulatory reporting revisions proposed for the TFR, Schedule SC—Consolidated Statement of Condition, Schedule CC—Consolidated Commitments and Contingencies, Schedule DI—Consolidated Deposit Information, Schedule SB—Consolidated Small Business Loans, and a proposed new schedule, Schedule RM—Annual Supplemental Consolidated Data on Reverse Mortgages. The changes are proposed to become effective in March 2010 except for the proposed new schedule RM which would become effective in December 2010.

The changes would revise three existing lines in the TFR, revise the reporting frequency for Schedule SB—Consolidated Small Business Loans from annual to quarterly, and add 24 new line items (including the 16 line items in the new Schedule RM). After considering the one comment letter received on the proposed changes, OTS has adopted all of the proposed changes. In addition, OTS is proposing to add four new line items to Schedule SI—Consolidated Supplemental Information, on assets covered by FDIC loss-sharing agreements in response to a recommendation from the bankers' organization commenter. OTS is submitting the proposed changes to OMB for review and approval.

DATES: Submit written comments on or before January 22, 2010. The regulatory reporting revisions described herein take effect on March 31, 2010, and on December 31, 2010.

ADDRESSES: Send comments, referring to the collection by ''1550–0023 (TFR Revisions—2010)'', to OMB and OTS at these addresses: Office of Information and Regulatory Affairs, *Attention:* Desk Officer for OTS, U.S. Office of Management and Budget, 725 17th Street, NW., Room 10235, Washington, DC 20503, or by fax to (202) 395–6974, and Information Collection Comments, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, by fax to (202) 906–6518, or by e-mail to *infocollection.comments@ots.treas.gov*. OTS will post comments and the related index on the OTS Internet Site at *http://www.ots.treas.gov/?p=LawsRegulations*. In addition, interested persons may inspect comments at the Public Reading Room, 1700 G Street, NW., Washington, DC by appointment. To make an appointment, call (202) 906–5922, send an e-mail to *publicinfo@ots.treas.gov*, or send a facsimile transmission to (202) 906–7755.

FOR FURTHER INFORMATION CONTACT: For further information or to obtain a copy of the submission to OMB, please contact Ira L. Mills, OTS Clearance Officer, at *ira.mills@ots.treas.gov*, (202) 906–6531, or facsimile number (202) 906–6518, Litigation Division, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552.

You can obtain a copy of the 2010 Thrift Financial Report forms from the OTS Web site at *http://www.ots.treas.gov/?p=ThriftFinancialReports* or you may request it by electronic mail from *tfr.instructions@ots.treas.gov*. You can request additional information about this proposed information collection from James Caton, Managing Director, Economics and Industry Analysis Division, (202) 906–5680, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552.

SUPPLEMENTARY INFORMATION: The effect of the proposed revisions to the reporting requirements of these information collections will vary from institution to institution, depending on the institution's involvement with the types of activities or transactions to which the proposed changes apply. OTS estimates that implementation of these reporting changes will result in a small increase in the current reporting burden imposed by the TFR. The following burden estimates include the effect of the proposed revisions.

Title: Thrift Financial Report.

OMB Number: 1550–0023.

Form Number: OTS 1313.

Statutory Requirement: 12 U.S.C. 1464(v) imposes reporting requirements for savings associations. Except for selected items, these information collections are not given confidential treatment.

Type of Review: Revision of currently approved collections.

Affected Public: Savings Associations.

Estimated Number of Respondents and Recordkeepers: 771.

Estimated Burden Hours per Respondent: 57.4 hours average for quarterly schedules and 2.0 hours average for schedules required only annually plus recordkeeping of an average of one hour per quarter.

Estimated Frequency of Response: Quarterly.

Estimated Total Annual Burden: 185,158 hours.

Abstract: OTS is proposing to revise and extend for three years the TFR, which is currently an approved collection of information. All OTS-regulated savings associations must comply with the information collections described in this notice. OTS collects this information each calendar quarter or less frequently if so stated. OTS uses this information to monitor the condition, performance, and risk profile of individual institutions and systemic risk among groups of institutions and the industry as a whole. Except for selected items, these information collections are not given confidential treatment.

I. Background

OTS last revised the form and content of the TFR in a manner that significantly affected a substantial percentage of institutions in June 2009, and has additional revisions scheduled to become effective in December 2009. Throughout 2009, OTS has evaluated its ongoing information needs. OTS recognizes that the TFR imposes reporting requirements, which are a component of the regulatory burden facing institutions. Another contributor to this regulatory burden is the examination process, particularly on-site examinations during which institution staffs spend time and effort responding to inquiries and requests for information designed to assist examiners in evaluating the condition and risk profile of the institution. The amount of attention that examiners direct to risk areas of the institution under examination is, in large part, determined from TFR data. These data, and analytical reports, including the Uniform Thrift Performance Report, assist examiners in scoping and making their preliminary assessments of risks during the planning phase of the examination.

A risk-focused review of the information from an institution's TFR allows examiners to make preliminary risk assessments prior to onsite work. The degree of perceived risk determines the extent of the examination procedures that examiners initially plan for each risk area. If the outcome of these procedures reveals a different level of risk in a particular area, the examiner adjusts the examination scope and procedures accordingly.

TFR data are also a vital source of information for the monitoring and regulatory activities of OTS. Among their benefits, these activities aid in determining whether the frequency of an institution's examination cycle should remain at maximum allowed time intervals, thereby lessening overall regulatory burden. More risk-focused TFR data enhance the ability of OTS to assess whether an institution is experiencing changes in its risk profile that warrant immediate follow-up, which may include accelerating the timing of an on-site examination.

In developing this proposal, OTS considered a range of potential information needs, particularly in the areas of credit risk, liquidity, and liabilities, and identified those additions to the TFR that are most critical and relevant to OTS in fulfilling its supervisory responsibilities. OTS recognizes that increased reporting burden will result from the addition to the TFR of the new items discussed in this proposal. Nevertheless, when viewing these proposed revisions to the TFR within a larger context, they help to enhance the on- and off-site supervision capabilities of OTS, which assist with controlling the overall regulatory burden on institutions.

II. Current Actions

On August 19, 2009, OTS requested comment on proposed changes to the Thrift Financial Report (74 FR 41981) that would take effect as of March 31, 2010, unless otherwise noted. These revisions would revise the reporting frequency for small business and small farm data reported in Schedule SB from annually to quarterly, revise three existing lines, and add 24 new lines to the TFR, which include the 16 line items proposed for the new Schedule RM–Annual Supplemental Consolidated Data on Reverse Mortgages.

OTS received one comment letter on the proposed revisions from a trade group representing banks of all sizes and charter types. The commenter's major concern was about the additional burden in the proposal to change ''Schedule SB—Consolidated Small Business Loans'' from the current annual filing frequency to the proposed quarterly filing requirement.

III. TFR Revisions Proposed for March 2010

A. Additional Detail on Credit Card Loans and Commitments

OTS received a favorable comment on revisions proposed for credit card loans and commitments. Therefore, these revisions will be implemented in March 2010 as proposed.

The extent to which the supply of credit has declined during the current financial crisis has been of great interest to the federal banking agencies and to Congress. Credit provided by financial institutions plays a central role in any economic recovery. The Federal banking agencies need data to determine when credit conditions have eased. One way to measure the supply of credit is to analyze the change in total lending commitments by financial institutions, considering both the amount of loans outstanding and the volume of unused credit lines. These data are also needed for safety and soundness purposes because draws on commitments during periods when financial institutions face significant funding pressures, such as during the fall of 2008, can place significant and unexpected demands on the liquidity and capital positions of these institutions. Therefore, OTS proposes to collect further detail on credit card lending in TFR Schedules SC and CC. These new data items would improve the OTS's ability to timely and accurately evaluate trends in thrift institutions' supply of credit available to households and businesses. These data would also be useful in determining thrift institutions' impact on the effectiveness of the government's economic stabilization programs.

Unused commitments associated with open-end credit card lines are currently reported in line CC423. This data item is not sufficiently detailed for monitoring the supply of credit because it mixes consumer credit card lines with credit card lines for businesses and other entities. Because of this aggregation, it is not possible to monitor credit available specifically to households. Furthermore, bank supervisors would benefit from the split, because the usage patterns, profitability, and evolution of credit quality through the business cycle are likely to differ for consumer credit cards and business credit cards. Therefore, the OTS proposes to revise line CC423 to collect data on unused credit card lines to consumers, and to add a line, CC424, to collect data on unused credit card lines to other entities. Outstanding balances from draws on these credit lines that have not been sold are already reported on Schedule SC. Thrifts report draws on credit cards issued to consumers on line SC328. Draws on credit cards issued to businesses are included with unsecured commercial loans on line SC303. OTS proposes to add a line, SC304, to collect data on the amount of business-related credit card loans outstanding that are included in line SC303.

B. Time Deposits of $100,000 or Greater

OTS received a comment on ''Time Deposits of $100,000 or Greater'' recommending replacing the proposed breakout of time deposits and brokered deposits on stated dollar thresholds with a requirement that thrifts report such deposits based upon the then current FDIC coverage limit in effect at the time of the report. The clearest method of receiving consistent data from the thrifts is to clearly state the specific dollar thresholds. Therefore, these revisions will be implemented in March 2010 as proposed.

On October 3, 2008, the Emergency Economic Stabilization Act of 2008 temporarily raised the standard maximum deposit insurance amount (SMDIA) from $100,000 to $250,000 per depositor. Under this legislation, the SMDIA was to return to $100,000 after December 31, 2009. However, on May 20, 2009, the Helping Families Save Their Homes Act extended this temporary increase in the SMDIA to $250,000 per depositor through December 31, 2013, after which the SMDIA is scheduled to return to $100,000.

At present, thrifts report time deposits in TFR Schedule DI, Consolidated Deposit Information, including total time deposits in line DI340, time deposits of $100,000 or greater in line DI350, and time deposits in IRA or Keogh accounts of $100,000 or greater. In response to the extension of the temporary increase in the limit on deposit insurance coverage, the federal banking agencies understand that time deposits with balances in excess of $100,000, but less than or equal to $250,000, have been growing and can be expected to increase further. However, given the existing Schedule DI reporting requirements, OTS is unable to monitor growth in thrifts' time deposits with balances within the temporarily increased limit on deposit insurance coverage.

Therefore, OTS is proposing to revise line DI350 from ''Time Deposits of $100,000 or Greater (Excluding Brokered Time Deposits Participated Out by the Broker in Shares of Less Than $100,000 and Brokered Certificates of Deposit Issued in $1,000 Amounts Under a Master Certificate of Deposit)'' to ''Time Deposits of $100,000 through $250,000 (Excluding Brokered Time Deposits Participated Out by the Broker in Shares of Less Than $100,000 and Brokered Certificates of Deposit Issued in $1,000 Amounts Under a Master Certificate of Deposit)'', and to add a line DI352 for ''Time Deposits Greater than $250,000''. Existing line DI340, Total Time Deposits, and DI360, IRA/Keogh Accounts of $100,000 or Greater Included in Time Deposits, would not change.

C. Revisions of Brokered Deposit Items

As described above in Section III.B., the SMDIA has been increased temporarily from $100,000 to $250,000 through year-end 2013. However, the data that thrifts currently report in the TFR on fully insured brokered deposits in TFR line DI100 is based on the $100,000 insurance limit (except for brokered retirement deposit accounts for which the deposit insurance limit was already $250,000). Therefore, in response to the temporary increase in the SMDIA, OTS is proposing to revise line DI100 from ''Total Broker-Originated Deposits: Fully Insured'' to ''Total Broker-Originated Deposits: Fully Insured: With Balances Less than $100,000'', and to add a line DI102 for ''Total Broker-Originated Deposits: Fully Insured: With Balances of $100,000 through $250,000''.

Furthermore, given the linkage between the deposit insurance limits and the reporting on fully insured brokered deposits in Schedule DI, the scope of these items needs to be changed whenever deposit insurance limits change. To ensure that the scope of these lines, including the dollar amounts cited in the captions for these items, changes automatically as a function of the deposit insurance limit in effect on the report date, the TFR instructions would be revised to state that the specific dollar amounts used as the basis for reporting fully insured brokered deposits in lines DI100 and DI102 reflect the deposit insurance limits in effect on the report date.

In addition, consistent with the reporting of time deposits in other items of Schedule DI, brokered deposits would be reported based on their balances rather than the denominations in which they were issued. Line DI100 would include time deposits issued to deposit brokers in the form of large ($100,000 or more) certificates of deposit that have been participated out by the broker in shares with balances of less than $100,000. For brokered deposits that represent retirement deposit accounts eligible for $250,000 in deposit insurance coverage, report such brokered deposits in this item only if their balances are less than $100,000.

Line DI102 would include brokered deposits (including brokered retirement deposit accounts) with balances of $100,000 through $250,000. Also report in this item brokered deposits that represent retirement deposit accounts eligible for $250,000 in deposit insurance coverage that have been issued in denominations of more than $250,000 that have been participated out by the broker in shares of $100,000 through exactly $250,000.

D. Interest Expense and Quarterly Averages for Brokered Deposits

Under Section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f), an insured depository institution that is less than well capitalized generally may not pay a rate of interest that significantly exceeds the prevailing rate in the institution's ''normal market area'' and/or the prevailing rate in the ''market area'' from which the deposit is accepted. In the case of an adequately capitalized institution with a waiver to accept brokered deposits, the institution may not pay a rate of interest on brokered deposits accepted from outside the bank's ''normal market area'' that significantly exceeds the ''national rate'' as defined by the FDIC. On May 29, 2009, the FDIC's Board of Directors adopted a final rule making certain revisions to the interest rate restrictions under Section 337.6 of the FDIC's regulations. Under the final rule, the ''national rate'' is a simple average of rates paid by U.S. depository institutions as calculated by the FDIC.[1] When evaluating compliance with the interest rate restrictions in Section 337.6 by an institution that is less than well capitalized, the FDIC generally will deem the national rate to be the prevailing rate in all market areas. The final rule is effective January 1, 2010.

At present, the federal banking agencies are not able to evaluate the level and trend of the cost of brokered time deposits to institutions that have acquired such funds, nor can the agencies compare the cost of such deposits across institutions with brokered time deposits. Data on the cost of brokered deposits would also assist the agencies in evaluating the overall cost of institutions' time deposits, for which data have long been collected in

[1] The FDIC publishes a weekly schedule of national rates and national interest-rate caps by maturity, which can be accessed at *http://www.fdic.gov/regulations/resources/rates/.*

the Call Report for banks and TFR for thrifts. Furthermore, many of the financial institutions that have failed since the beginning of 2008 have relied extensively on brokered deposits to support their asset growth. Therefore, to enhance OTS's ability to evaluate funding costs and the impact of brokered time deposits on these costs, OTS is proposing to add four new line items to TFR Schedule DI. The other federal banking agencies are proposing to add similar line items to the Call Report with two Memorandum items to Schedule RC–K, Quarterly Averages, and two items to Schedule RI, Income Statement.

In these new line items to TFR Schedule DI, thrifts would report lines DI114 for ''Total Broker-Originated Deposits: Interest Expense for Fully Insured Brokered Deposits'', DI116 for ''Total Broker-Originated Deposits: Interest Expense for Other Brokered Deposits'', DI544 for ''Average Daily Deposit Totals: Fully Insured Brokered Time Deposits'', and DI545 for ''Average Daily Deposit Totals: Other Brokered Time Deposits''.

E. Change in Reporting Frequency for Schedule SB—Consolidated Small Business Loans

OTS received a comment that the reporting frequency be changed to semi-annual instead of the proposed quarterly reporting frequency for thrifts with over $1 billion in total assets and annually for others. Small financial institutions play a key role in lending to small businesses and farms; therefore, following the proposed comment would significantly reduce the value of the data to policymakers. The TFR data provides information that cannot be obtained from other indicators of small business conditions; therefore, Schedule SB will be required quarterly starting in March 2010 as proposed.

Section 122 of the Federal Deposit Insurance Corporation Improvement Act requires the federal banking agencies to collect from insured institutions annually the information the agencies ''may need to assess the availability of credit to small businesses and small farms.'' The OTS meets this requirement through Schedule SB that requests information on the number and amount currently outstanding of ''loans to small businesses'' and ''loans to small farms,'' as defined in the TFR instructions, which all thrift institutions must report annually as of June 30.

With the United States now more than a year into a recession, the current administration ''firmly believes that economic recovery will be driven in large part by America's small businesses,'' but ''small business owners are finding it harder to get the credit necessary to stay in business.'' [2] Because ''[c]redit is essential to economic recovery,'' Treasury Secretary Geithner stated on March 16, 2009, ''we need our nation's banks to go the extra mile in keeping credit lines in place on reasonable terms for viable businesses.'' [3] Accordingly, Secretary Geithner asked the Federal banking agencies ''to call for quarterly, as opposed to annual reporting of small business loans, so that we can carefully monitor the degree that credit is flowing to our nation's entrepreneurs and small business owners.'' [4] In response to Secretary Geithner's request and to improve the agencies' own ability to assess the availability of credit to small businesses and small farms, the OTS proposes to change the frequency with which thrifts must submit TFR Schedule SB from annually to quarterly beginning March 31, 2010. OTS is not proposing to revise the information that thrifts are required to report on this schedule. The other federal banking agencies are proposing a similar change in reporting frequency with which banks must submit Call Report Schedule RC–C, Part II.

F. New Proposed Annual Schedule for December 2010: Reverse Mortgage Data

Reverse mortgages are complex loan products that leverage equity in homes to provide lump sum cash payments or lines of credit to borrowers. These products are typically marketed to senior citizens who own homes. Access to data regarding loan volumes, dollar amounts outstanding, and the institutions offering reverse mortgages or participating in reverse mortgage activity is severely limited. Therefore, OTS is currently unable to effectively identify and monitor institutions that offer these products due to a lack of reverse mortgage data.

The reverse mortgage market currently consists of two basic types of products: A federally-insured product known as a Home Equity Conversion Mortgage (HECM) and proprietary products designed and originated by financial institutions (Non-HECM). Some reverse mortgages provide for a lump sum payment to the borrower at closing, with no ability for the borrower to receive additional funds under the mortgage later. Other reverse mortgages are structured like home equity lines of credit in that they provide the borrower with additional funds after closing, either as fixed monthly payments, under a line of credit, or both. There are also reverse mortgages that provide a combination of a lump sum payment to the borrower at closing and additional payments to the borrower after the closing of the loan.

The volume of reverse mortgage activity is expected to increase dramatically in the coming years as the U.S. population ages. A number of consumer protection related risk and safety and soundness related risks are associated with these products and OTS needs to collect information from thrift institutions involved in reverse mortgage activities to monitor and mitigate these risks. For example, proprietary reverse mortgages structured as lines of credit, which are not insured by the federal government, expose borrowers to the risk that the lender will be unwilling or unable to meet its obligation to make payments due to the borrower. Additionally, in those circumstances in which housing prices are declining, there is the risk that the reverse mortgage loan balance may exceed the value of the underlying collateral value of the home.

OTS proposes that a new schedule designated as ''Schedule RM'' consisting of sixteen line items be added to the Thrift Financial Report to collect reverse mortgage data on an annual basis beginning on December 31, 2010. Collecting this information will provide OTS with the necessary information for policy development and the management of risk exposures posed by thrifts involvement with reverse mortgages. In this new Schedule, thrifts would separately report the amount of their outstanding HECM reverse mortgages and proprietary reverse mortgages as shown below in the sixteen line items:

1. RM110: Amount of Home Equity Conversion Mortgage Loans Outstanding.
2. RM112: Amount of Proprietary (Non-HECM) Reverse Mortgage Loans Outstanding.
3. RM310: Annual Interest Income from Home Equity Conversion Mortgage Loans.
4. RM312: Annual Interest Income from Proprietary (Non-HECM) Reverse Mortgage Loans.
5. RM330: Number of referrals to another lender during the calendar year from whom you received compensation for services performed for the lender in connection with the lender's origination of a Home Equity Conversion Mortgage.
6. RM332: Number of referrals to another lender during the calendar year

[2] *http://www.financialstability.gov/roadtostability/smallbusinesscommunity.html.*

[3] *http://www.financialstability.gov/latest/tg58-remarks.html.*

[4] *Ibid.*

from whom you received compensation for services performed for the lender in connection with the lender's origination of a Proprietary (Non-HECM) Reverse Mortgage.

7. RM420: Annual Origination Fee Income from Home Equity Conversion Mortgage Loans.

8. RM422: Annual Origination Fee Income from Proprietary (Non-HECM) Reverse Mortgage Loans.

9. RM510: Commitments Outstanding to Originate Mortgages Secured by Home Equity Conversion Mortgage Loans.

10. RM512: Commitments Outstanding to Originate Mortgages Secured by Proprietary (Non-HECM) Reverse Mortgage Loans.

11. RM610: Amount of Home Equity Conversion Mortgages originated for the calendar year.

12. RM612: Amount of Proprietary (Non-HECM) Reverse Mortgage Loans originated for the calendar year.

13. RM620: Annual Loans and Participations Purchased Secured By Home Equity Conversion Mortgage Loans.

14. RM622: Annual Loans and Participations Purchased Secured By Proprietary (Non-HECM) Reverse Mortgage Loans.

15. RM630: Annual Loans and Participations Sold Secured By Home Equity Conversion Mortgage Loans.

16. RM632: Annual Loans and Participations Sold Secured By Proprietary (Non-HECM) Reverse Mortgage Loans.

OTS received a comment that, overall, the organization had no concerns with this new schedule, except for the items relating to the reporting of the estimated number of fee-paid referrals. The organization asked OTS to reconsider this reporting requirement because it may require thrifts to report information that is inconsistent with the legal requirements of the Real Estate Settlement Procedures Act (RESPA). OTS has reviewed the proposed reporting of data on reverse mortgage referrals and acknowledges that its description of this proposed reporting requirement could be viewed in this manner. Under RESPA and its implementing regulations, a mortgage lender may pay fees or compensation to another party, such as a financial institution that has referred a customer to the mortgage lender, only for services actually performed by that party. Accordingly, to avoid possible misinterpretation or misunderstanding, OTS is revising its proposed annual data items for the reporting of the number of fee-paid referrals during the year. As revised, thrifts would annually report the number of reverse mortgage loan referrals to other lenders during the year from whom they have received any compensation for services performed in connection with the origination of reverse mortgages. The revised referral data items would be implemented beginning December 31, 2010. The other proposed reverse mortgage data items would be implemented as proposed beginning on the same date.

G. Assets Covered by FDIC Loss-Sharing Agreements

The commenter requested that the OTS and other federal banking agencies revise the TFR and the Call Report to collect information on loss-sharing agreements with the FDIC even though this had not been proposed by the agencies. The organization noted that there is currently no guidance on how a financial institution that acquires a failed financial institution should report any loss-sharing agreement in the TFR or Call Report. It also stated that the TFR and Call Report do not provide users with a ''readily accessible summary of the bank's net exposures on assets that are subject to loss-share agreements. The organization observed that ''[t]his will become an increasingly important long-term and more common reporting issue as additional failed banks are acquired from the FDIC under a loss-share agreement.''

Under loss sharing, the FDIC agrees to absorb a portion of the loss on a specified pool of a failed institution's assets in order to maximize asset recoveries and minimize the FDIC's losses. In general, the FDIC will reimburse 80 percent of losses incurred by an acquiring institution on covered assets over a specified period of time up to a stated threshold amount, with the acquirer absorbing 20 percent. Any losses above the stated threshold amount will be reimbursed by the FDIC at 95 percent of the losses booked by the acquirer. Over the past year, the FDIC has entered into loss-sharing agreements with acquiring institutions in connection with approximately 80 failed bank and thrift acquisitions. Some acquiring institutions have been involved in multiple failed institution acquisitions. Continued use of loss-sharing agreements is expected in connection with the resolution of failures of insured institutions by the FDIC. Assets covered by loss-sharing agreements include, but are not limited to, loans, other real estate, and debt securities.

As the bankers' organization indicated, the TFR and Call Report do not include a ''readily accessible summary'' of assets that reporting banks have acquired from failed institutions that are covered by FDIC loss-sharing agreements. Any covered loans and leases that are past due 30 days or more or are in nonaccrual status are reportable in items PD195, PD295, and PD395 of the TFR and in items 10 and 10.a of Call Report Schedule RC–N, Past Due and Nonaccrual Loans, Leases, and Other Assets, as loans and leases that are wholly or partially guaranteed by the U.S. Government. However, these items would also include loans and leases guaranteed by other U.S. Government agencies (such as the Small Business Administration and the Federal Housing Administration) that are past due 30 days or more or are in nonaccrual status and they would exclude loans and leases covered by FDIC loss-sharing agreements that do not meet these past due or nonaccrual reporting conditions as of the report date. Thus, the amount of covered loans and leases is not readily identifiable from the TFR or Call Report and the amount of other covered assets cannot be determined at all from the TFR or Call Report.

The agencies agree with the bankers' organization that the reporting of summary data on covered assets would be beneficial to TFR and Call Report users and to the institutions holding covered assets. Therefore, OTS proposes to add the following four line items to the TFR as of March 31, 2010:

1. SI770: Carrying amount of loans and leases covered by FDIC loss sharing agreements;

2. SI772: Carrying amount of real estate owned covered by FDIC loss sharing agreements;

3. SI774: Carrying amount of debt securities covered by FDIC loss sharing agreements; and

4. SI776: Carrying amount of other assets covered by FDIC loss sharing agreements.

The other federal banking agencies will add such a summary to Call Report Schedule RC–M, Memoranda, effective March 31, 2010. In this summary, banks that have entered into loss-sharing agreements with the FDIC would separately report the carrying amounts of (1) loans and leases, (2) other real estate owned, (3) debt securities, and (4) other assets covered by such agreements. The federal banking agencies will also consider whether the collection of additional information concerning covered assets would be warranted and, if so, it would be incorporated into a formal proposal that the agencies would publish with a request for comment in accordance with the requirements of the Paperwork Reduction Act of 1995.

Dated: December 18, 2009.

Ira L. Mills,

OTS Clearance Officer, Office of Thrift Supervision.

[FR Doc. E9–30490 Filed 12–22–09; 8:45 am]

BILLING CODE 6720–01–P