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THE CLEARING HOUSE
Advancing Payment Solutions Worldwide

November 13, 2007

Public Information Room
Office of the Comptroller
of the Currency
250 E Street, S.W.
Mailstop 1-5
Washington, D.C. 20219
Attention: No. 1557-0081

Steven F. Hanft
Clearance Officer
Room MB-2088
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429
Attention: No. 3064-0052

Jennifer J. Johnson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551
Attention: No. 7100-0036

Information Collection Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552
Attention: 1550-0023

Re: FFIEC Call Report Revisions
Notice and Request for Comment

Ladies and Gentlemen:

The Clearing House Association L.L.C. ("The Clearing House"), an association of major commercial banks,[1] appreciates the opportunity to comment on the proposed revisions (the "Proposal") to the Consolidated Reports of Condition and Income (the "Call Report") by the Office of the Comptroller of the Currency (the "OCC"), the Board of Governors of the Federal Reserve System (the "Board"), the Federal Deposit Insurance Corporation (the "FDIC") and the Office of Thrift Supervision (the "OTS"; together with the OCC, the Board, and the FDIC, the

The members of The Clearing House are: ABN AMRO Bank N.V.; Bank of America, National Association; The Bank of New York; Citibank, N.A.; Deutsche Bank Trust Company Americas; HSBC Bank USA, National Association; JPMorgan Chase Bank, National Association; UBS AG; U.S. Bank National Association; Wachovia Bank, National Association; and Wells Fargo Bank, National Association.

"Agencies"). In particular, we are concerned about footnote 1, (Summary of Deposits report), and proposed revisions related to 1-4 family residential mortgage loans. Our comments on the Proposal are presented below.

Summary of Deposits Report

Footnote 1 to the Proposal indicates that the banking agencies are considering a separate proposal to incorporate the FDIC's Summary of Deposits report (OMB No. 3064-0061) into the Call Report effective June 30, 2008. Although a proposal has not yet been published for comment at this time, The Clearing House would like to voice its concerns in advance on the incorporation of the Summary of Deposits report into the Call Report.

The FDIC has indicated informally its desire to collect the Summary of Deposits data via the Central Data Repository ("CDR"). The Clearing House would support Summary of Deposits data collection via the CDR as underlying XBRL programming and mechanics are generally transparent to banks. However, The Clearing House strongly recommends that the FDIC's Summary of Deposits report and the Call Report remain as two separate filings.

Currently, the filing due dates for the two reports are inconsistent for large banks with more than one foreign office. Although the Summary of Deposits report has a filing due date of July 30, banks historically, upon written request to the FDIC, have been granted filing extensions until August 15. Filing extensions have eased the burden and cost to banks for filing the Summary of Deposits report as additional staff is not required. Extensions have also helped banks by providing additional time for enhanced review of the data prior to filing. Banks with more than one foreign office have five additional calendar days, until August 4, to file their Call Reports. Concurrent filing would preclude the ability for banks to receive filing extensions for the Summary of Deposits report resulting in additional staffing costs, and a potential decrease in the quality of the data.

Concurrent filing of the two reports would create undue burden on banks, particularly large banks with thousands of branches. At most banks, the same staff that work on the Call Reports also work on the Summary of Deposits reports. Banks would need additional staff to prepare the reports to be filed at the same time. Banks would incur added staff and training costs which could be avoided by staggering the due dates of the reports. This is particularly burdensome as the Summary of Deposits report is filed only annually and the need for additional staffing is short-lived. This additional burden can be avoided by keeping the filings separate.

Some banks use software from different vendors for their Call Report and their Summary of Deposits report. A combined filing would require the use of the same software for the two reports. This could add the burden of additional costs to banks to convert data and processes to a single software vendor. It could also result in additional total software costs due to loss of negotiated discounts with the software vendors. It is inevitable that software costs will likely rise as the vendors pass on their programming costs to combine the two products. Vendors will be negatively impacted as they lose business due to the need for a single vendor product.

Proposed Revisions Related to 1-4 Family Residential Mortgage Loans

The Agencies have proposed a significant number of revisions to the Call Report relating to 1-4 family residential mortgage loans. While The Clearing House understands the desire to obtain additional information about the mortgage lending business given the current environment and impact on banks throughout the industry, data for selected components may be difficult to obtain and ensure accuracy in the designated timeframe. To capture this information, our members will need additional time to work with their technology and infrastructure teams to arrange resources and programming to access the data for reporting purposes. Moreover, since the changes and instructions have not been finalized for the Call Report, it is extremely difficult for our members to request that their information system departments begin implementing programming changes for these reports. With resources currently stretched for Basel II work efforts and year end system freezes, there is not adequate time from the final release of the Call Report revisions to the implementation date. Therefore, The Clearing House recommends that the proposed revisions be phased-in for the items discussed below.

The Clearing House agrees that the proposed breakout of new memorandum items to schedule RC-C for the carrying amount (before any applicable allowance for loan and lease losses) of residential mortgages owned by the bank and serviced by the bank in process of foreclosure, and to schedule RC-S for the principal amount of residential mortgages owned by the bank and serviced by the bank in process of foreclosure may be helpful in providing insight into the pipeline and trend of foreclosures at banks. However, this information is not currently readily available. Therefore, we request that the implementation date of this particular proposal be delayed for an additional six months to allow sufficient time to identify and capture this data from existing systems.

In addition, obtaining the breakout of open end 1-4 family residential mortgages based on originations, purchases and sales of open-end mortgages (RC-P) would be particularly onerous to implement for the March 31, 2008 Call Report. Although the base data already included in RC-P is available, it may take some time to identify and capture the unused balance of commitments on open-end loans in addition to the outstanding principal balance. Therefore, The Clearing House requests this proposal be delayed for an additional six months to allow sufficient time to capture the data correctly and make it available for reporting.

Also, capturing the principal balance of past due and nonaccrual loans in the fair value option book on the proposed Schedule RC-N may prove more challenging as the differentiation for the fair value option book may be indistinguishable from the general ledger and the past due indicators may systematically be available only in the risk systems. For this reason, The Clearing House requests this proposal also be delayed for an additional six months to allow time to capture the data correctly and make it available for reporting.

In addition, The Clearing House requests clarification on the terminology used for capturing the values. Typically, balances reported are outstanding book balances. Reference is made to capturing the principal balance of repurchases and indemnifications if there is a difference in the book value of a loan and the principal balance which is intended by the Agencies to be reported.

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Thank you for considering the concerns expressed in this letter. If you have any questions or are in need of any further information, please contact Norman R. Nelson at (212) 612-9205.

Sincerely yours,