SUPPORTING STATEMENT
Credit Risk Retention
(OMB No. 3064-NEW)

INTRODUCTION

The FDIC is requesting approval from the OMB to establish a new information collection comprised of disclosure and recordkeeping requirements contained in a second notice of proposed rulemaking (second NPR) on Credit Risk Retention (FDIC RIN 3064-AD74), jointly issued by the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (Board), and the Securities and Exchange Commission (Commission), and, with respect to the portions addressing residential mortgages, the Federal Housing Finance Agency (FHFA) and the Department of Housing and Urban Development (HUD). The credit risk retention requirements are contained in section 15G of the Securities and Exchange Act of 1934 (15 U.S.C. §§ 78o-11), as added by section 941(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), Pub. L. No. 111-2-3, 124 Stat. 1376 (2010).

JUSTIFICATION

1. Circumstances and Need

Section 941 of Dodd-Frank U.S. requires the Board, the FDIC, the OCC (collectively, "the federal banking agencies"), the Commission, and in the case of the securitization of any "residential mortgage asset," together with HUD and FHFA, to jointly prescribe regulations that (i) require a securitizer to retain not less than five percent of the credit risk of any asset that the securitizer, through the issuance of an asset-backed security (ABS), transfers, sells, or conveys to a third party, and (ii) prohibit a securitizer from directly or indirectly hedging or otherwise transferring the credit risk that the securitizer is required to retain under section 941 and the agencies' implementing rules. Exempted from the credit risk retention requirements of section 941 are certain types of securitization transactions, e.g., asset-backed securities (ABS) exclusively collateralized by qualified residential mortgages (QRMs) as that term is jointly defined by the agencies.

In addition, section 941 provides that the agencies must permit a securitizer to retain less than five percent of the credit risk of residential mortgages, commercial mortgages, commercial loans, and automobile loans that are transferred, sold, or conveyed through the issuance of ABS by the securitizer, if the loans meet underwriting standards established by the Federal banking agencies. The proposed rule, therefore, among other things, provides a menu of credit risk retention options from which securitizers can choose for their ABS offerings and sets out the standards, including disclosure and recordkeeping requirements, for each option; identifies the eligibility criteria, including certification and disclosure requirements, that must be met for ABS offerings to qualify for the QRM exemption; provides for the establishment of a premium cash reserve account as a mechanism for capturing the monetization of excess spread for certain of the credit risk retention options and imposes certain conditions that must be met, including certain disclosures, by the sponsor to achieve the objectives of the account; and specifies the

underwriting standards for commercial real estate loans, commercial loans, and automobile loans, including disclosure and recordkeeping requirements, that must be met before ABS issuances collateralized exclusively by such loans can qualify for reduced credit risk retention.

2. Use of Information Collected

The proposed rule sets forth permissible forms of risk retention for securitizations that involve issuance of asset-backed securities. The information collection requirements are found in sections _.4, _.5, _.6, _.7, _.8, _.9, _.10, _.11, _.13, _.15, _.16, _.17, and _.18. The recordkeeping requirements relate primarily to (i) the adoption and maintenance of various policies and procedures to ensure and monitor compliance with regulatory requirements and (ii) certifications as to the effectiveness of internal supervisory controls. The required disclosures for each risk retention option are intended to provide investors with material information concerning the sponsor's retained interest in a securitization transaction (e.g., amount, form and nature of retained interest, material assumptions and methodology, representations and warranties). These disclosures will provide the information considered necessary to adequately assess the investment potential of the transactions. The disclosures also will enable investors and the agencies to monitor a sponsor's compliance with the rule.

The agencies believe that the recordkeeping and disclosure requirements will help address problems in the securitization markets by providing securitizers with an incentive to monitor and ensure the quality of the assets underlying a securitization transaction and by aligning the interests of the securitizer with the interests of investors. The permissible forms of risk retention are as follows:

Standard Risk Retention (section _.4) – This section sets forth the that must be met by sponsors electing to use the standard risk retention option, which may consist of an eligible vertical interest or an eligible horizontal residual interest, or any combination thereof. Sections __.4(d)(1) and __.4(d)(2) specify the disclosures required with respect to eligible horizontal residual interests and eligible vertical interests, respectively.

A sponsor retaining any eligible horizontal residual interest (or funding a horizontal cash reserve account) is required to calculate the Closing Date Projected Cash Flow Rate and Closing Date Projected Principal Repayment Rate for each payment date, and certify to investors that it has performed such calculations and that the Closing Date Projected Cash Flow Rate on any payment date does not exceed the Closing Date Projected Principal Repayment Rate on such payment date (§__.4(b)(2)).

Additionally, the sponsor is required to disclose: the fair value of the eligible horizontal residual interest retained by the sponsor and the fair value of the eligible horizontal residual interest required to be retained (§__.4(d)(1)(i)); the material terms of the eligible horizontal residual interest (§__.4(d)(1)(ii)); the methodology used to calculate the fair value of all classes of ABS interests (§__.4(d)(1)(iii)); the key inputs and assumptions used in measuring the total fair value of all classes of ABS interests, and the fair value of the eligible horizontal residual interest retained by the sponsor (§__.4(d)(1)(iv)); the reference data set or other historical

information used to develop the key inputs and assumptions (§__.4(d)(1)(v)); the number of securitization transactions securitized by the sponsor during the previous five-year period in which the sponsor retained an eligible horizontal residual interest pursuant to this section, and the number (if any) of payment dates in each such securitization on which actual payments to the sponsor with respect to the eligible horizontal residual interest exceeded the cash flow projected to be paid to the sponsor on such payment date in determining the Closing Date Projected Cash Flow Rate (§__.4(d)(1)(vi)); and the amount placed by the sponsor in the horizontal cash reserve account at closing, the fair value of the eligible horizontal residual interest that the sponsor is required to fund through such account, and a description of such account (§__.4(d)(1)(vii)).

For eligible vertical interests, the sponsor is required to disclose: whether the sponsor retains the eligible vertical interest as a single vertical security or as a separate proportional interest in each class of ABS interests in the issuing entity issued as part of the securitization transaction (§__.4(d)(2)(i)); for eligible vertical interests retained as a single vertical security, the fair value amount of the single vertical security retained at the closing of the securitization transaction and the fair value amount required to be retained, and the percentage of each class of ABS interests in the issuing entity underlying the single vertical security at the closing of the securitization transaction and the percentage of each class of ABS interests in the issuing entity that would have been required to be retained if the eligible vertical interest was held as a separate proportional interest (§__.4(d)(2)(ii)); for eligible vertical interests retained as a separate proportional interest in each class of ABS interests in the issuing entity, the percentage of each class of ABS interests in the issuing entity retained at the closing of the securitization transaction and the percentage of each class of ABS interests required to be retained (§__.4(d)(2)(iii)); and information with respect to the measurement of the fair value of the ABS interests in the issuing entity (§__.4(d)(2)(iv)).

Section __.4(e) requires a sponsor to retain the certifications and disclosures required in paragraphs (b) and (d) of this section in written form in its records and must provide the disclosure upon request to the Commission and its appropriate Federal banking agency, if any, until three years after all ABS interests are no longer outstanding.

Revolving Master Trusts (Section _.5) – This section requires sponsors relying on the revolving master trust risk retention option to disclose: the value of the seller's interest retained by the sponsor, the fair value of any horizontal risk retention retained by the sponsor under §__.5(f), and the unpaid principal balance value or fair value, as applicable, the sponsor is required to retain (§__.5(g)(1)(i)); the material terms of the seller's interest and of any horizontal risk retention retained by the sponsor under §__.5(f) (§__.5(g)(1)(ii)); and if the sponsor retains any horizontal risk retention under §__.5(f), the same information as is required to be disclosed by sponsors retaining horizontal interests (§__.5(g)(1)(iii)). Additionally, a sponsor must retain the disclosures required in §__.5(g)(1) in written form in its records and must provide the disclosure upon request to the Commission and its appropriate Federal banking agency, if any, until three years after all ABS interests are no longer outstanding (§__.5(g)(2)).

Eligible ABCP Conduits – (section _.6) – This section addresses the requirements for sponsors utilizing the eligible ABCP conduit risk retention option. The requirements for the

eligible ABCP conduit risk retention option include disclosure to each purchaser of ABCP and periodically to each holder of commercial paper issued by the ABCP conduit of the name and form of organization of the regulated liquidity provider that provides liquidity coverage to the eligible ABCP conduit, including a description of the form, amount, and nature of such liquidity coverage, and notice of any failure to fund; and with respect to each ABS interest held by the ABCP conduit, the asset class or brief description of the underlying receivables, the standard industrial category code for the originator-seller or majority-owned OS affiliate that retains an interest in the securitization transaction, and a description of the form, fair value, and nature of such interest (§__.6(d)). An ABCP conduit sponsor relying upon this section shall provide, upon request, to the Commission and its appropriate Federal banking agency, if any, the information required under §__.6(d), in addition to the name and form of organization of each originator-seller or majority-owned OS affiliate that retains an interest in the securitization transaction (§__.6(e)).

A sponsor relying on the eligible ABCP conduit risk retention option shall maintain and adhere to policies and procedures to monitor compliance by each originator-seller or majority-owned OS affiliate (§__.6(f)(2)(i)). If the ABCP conduit sponsor determines that an originator-seller or majority-owned OS affiliate is no longer in compliance, the sponsor must promptly notify the holders of the ABCP, the Commission and its appropriate Federal banking agency, in writing of the name and form of organization of any originator-seller or majority-owned OS affiliate that fails to retain and the amount of asset-backed securities issued by an intermediate SPV of such originator-seller and held by the ABCP conduit, the name and form of organization of any originator-seller or majority-owned OS affiliate that hedges, directly or indirectly through an intermediate SPV, their risk retention in violation and the amount of asset-backed securities issued by an intermediate SPV of such originator-seller or majority-owned OS affiliate and held by the ABCP conduit, and any remedial actions taken by the ABCP conduit sponsor or other party with respect to such asset-backed securities (§__.6(f)(2)(ii)).

Commercial MBS (section _.7) – This section sets forth the requirements for sponsors relying on the commercial mortgage-backed securities risk retention option, and includes disclosures of: the name and form of organization of each third-party purchaser (§__.7(a)(7)(i)); each initial third-party purchaser's experience in investing in commercial mortgage-backed securities (§__.7(a)(7)(ii)); other material information (§__.7(a)(7)(iii)); the fair value of the eligible horizontal residual interest retained by each third-party purchaser, the purchase price paid, and the fair value of the eligible horizontal residual interest that the sponsor would have retained if the sponsor had relied on retaining an eligible horizontal residual interest under the standard risk retention option (§__.7(a)(7)(iv) and (v)); a description of the material terms of the eligible horizontal residual interest retained by each third-party purchaser (§__.7(a)(7)(vi)); the material assumptions and methodology used to determine the aggregate amount of ABS interests issued by the issuing entity (§__.7(a)(7)(vii)); the material terms of the applicable transaction documents with respect to the Operating Advisor (§__.7(a)(7)(viii); and representations and warranties concerning the securitized assets, a schedule of any securitized assets that are determined not to comply with such representations and warranties, and the factors used to determine such securitized assets should be included in the pool notwithstanding that they did not comply with the representations and warranties (§__.7(a)(7)(ix)). A sponsor relying on the

commercial mortgage-backed securities risk retention option shall provide in the underlying securitization transaction documents certain provisions related to the Operating Advisor (§__.7(a)(6)), maintain and adhere to policies and procedures to monitor compliance by third-party purchasers with regulatory requirements (§__.7(b)(2)(A)), and notify the holders of the ABS interests in the event of noncompliance by a third-party purchaser with such regulatory requirements (§__.7(b)(2)(B)).

FNMA and FHLMC (section _.8) – This section requires that a sponsor relying on the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation ABS risk retention option must disclose a description of the manner in which it has met the credit risk retention requirements (§__.8(c)).

Open Market CLOs (section _.9) – This section sets forth the requirements for sponsors relying on the open market CLO risk retention option, and includes disclosures of a complete list of, and certain information related to, every asset held by an open market CLO (§__.9(d)(1)), and the full legal name and form of organization of the CLO manager (§__.9(d)(2).

Qualified Tender Option Bonds (section _.10) – This section sets forth the requirements for sponsors relying on the qualified tender option bond risk retention option, and includes disclosures of the name and form of organization of the Qualified Tender Option Bond Entity, and a description of the form, fair value (expressed as a percentage of the fair value of all of the ABS interests issued in the securitization transaction and as a dollar amount), and nature of such interest in accordance with the disclosure obligations in section __.4(d) (§__.10(e)).

Allocation of Risk Retention to an Originator (section _.11) – This section sets forth the conditions that apply when the sponsor of a securitization allocates to originators of securitized assets a portion of the credit risk it is required to retain, including disclosure of the name and form of organization of any originator that acquires and retains an interest in the transaction, a description of the form, amount and nature of such interest, and the method of payment for such interest (§__.11(a)(2)). A sponsor relying on this section shall maintain and adhere to policies and procedures that are reasonably designed to monitor originator compliance with retention amount and hedging, transferring and pledging requirements (§__.11(b)(2)(A)) and shall promptly notify the holders of the ABS interests in the transaction in the event of originator noncompliance with such regulatory requirements (§__.11(b)(2)(B)).

Exemption for Qualified Residential Mortgages (section _.13) – This section provides an exemption from the risk retention requirements for qualified residential mortgages that meet certain specified criteria, including that the depositor of the asset-backed security certify that it has evaluated the effectiveness of its internal supervisory controls and concluded that the controls are effective (§__.13(b)(4)(i)), and that the sponsor provide a copy of the certification to potential investors prior to sale of asset-backed securities (§__.13(b)(4)(iii)). In addition, §__.13(c)(3) provides that a sponsor that has relied upon the exemption shall not lose the exemption if it complies with certain specified requirements, including prompt notice to the holders of the asset-backed securities of any loan repurchased by the sponsor.

Exemptions for Qualifying Commercial Loans, Commercial Real Estate Loans, and Automobile Loans (section _.15) – This section provides exemptions from the risk retention requirements for qualifying commercial loans that meet the criteria specified in Section __.16, qualifying CRE loans that meet the criteria specified in Section __.17, and qualifying automobile loans that meet the criteria specified in Section __.18. Section __.15 also requires the sponsor to disclose a description of the manner in which the sponsor determined the aggregate risk retention requirement for the securitization transaction after including qualifying commercial loans, qualifying CRE loans, or qualifying automobile loans with zero percent risk retention, and descriptions of the qualifying commercial loans, qualifying CRE loans, and qualifying automobile loans ("qualifying assets") and descriptions of the assets that are not qualifying assets, and the material differences between the group of qualifying assets and the group of assets that are not qualifying assets with respect to the composition of each group's loan balances, loan terms, interest rates, borrower credit information, and characteristics of any loan collateral (§__.15(a)(4)).

Underwriting Standards (sections _.16, _.17, and _.18) – These sections each require that: the depositor of the asset-backed security certify that it has evaluated the effectiveness of its internal supervisory controls and concluded that its internal supervisory controls are effective (§§__.16(b)(8)(i), __.17(b)(10)(i), and __.18(b)(8)(i)); the sponsor provide a copy of the certification to potential investors prior to the sale of asset-backed securities (§§__.16(b)(8)(iii), __.17(b)(10)(iii), and __.18(b)(8)(iii)); and the sponsor promptly notify the holders of the securities of any loan included in the transaction that is required to be cured or repurchased by the sponsor, including the principal amount of such loan(s) and the cause for such cure or repurchase (§§__.16(c)(3), __.17(c)(3), and __.18(c)(3)).

3. Use of Technology to Reduce Burden

Banks may use technology to the extent feasible and/or desirable or appropriate to make the required disclosures and to maintain the required records.

4. Efforts to Identify Duplication

The recordkeeping and disclosure requirements in the rule are new and are not otherwise duplicated.

5. Minimizing the Burden on Small Banks

The proposed rule generally imposes recordkeeping and disclosure burden on sponsors of securitization transactions. Based on a review of March 31, 2013, data from the Consolidated Reports of Income and Condition filed by insured financial institutions and publicly available market data, the Agencies have determined that only 40 small (assets of $500 million or less) banking organizations (23 of which are state nonmember banks) currently sponsor securitizations that would be subject to the rule. In addition, only two small banking organization currently originate mortgages at the level necessary (at least 20 percent of the

securitized mortgages in a pool) to be subject to potential allocation of a portion of the risk retention requirement under the rule. Nevertheless, the Agencies have requested comment on whether the proposed rule, if adopted in final form, would impose undue burdens for small banking organizations and whether there are ways such potential burdens could be minimized in a manner consistent with the statutory requirements that form the basis for the rule.

6. Consequences of Less Frequent Collection

The disclosure requirements are imposed on a per transaction basis. Less frequent disclosures would impair the ability of investors to adequately evaluate the investment potential of each transaction. The requirement to develop policies and procedures to monitor compliance with regulatory requirements is a one-time burden, although the agencies expect that sponsors will review their policies and procedures as needed to reflect any changed conditions and no less frequently than annually.

7. Special Circumstances

There are no special circumstances.

8. Consultation with Members of the Public

The agencies' first notice of proposed rulemaking on credit risk retention ("the original proposal") was published in the *Federal Register* for public comment on April 29, 2011 (76 FR 24090). The original proposal's definition of QRM included a requirement for a loan-to-value (LTV) ratio no higher than 80 percent (and lower, if the mortgage was a refinancing), credit history metrics, conservative debt-to-income requirements, and certain other requirements. The original proposal also included underwriting standards for commercial, CRE, and automobile loans underlying ABS to qualify for exemption from risk retention; offered several options for satisfying the risk retention requirements, most of which would have required that the risk retained equal 5 percent of the par value of the ABS interests issued in the securitization transaction; and required that a sponsor retain in a special premium capture cash reserve account (PCCRA), as additional risk retention, the proceeds from the sale of excess spread and from premiums realized on the sale of ABS. The agencies received over 10,500 comment letters on the original proposal, with a large majority of commenters criticizing the agencies' 80 percent LTV and other underwriting standards for QRM, the premium capture cash reserve account requirement, and other aspects of the proposal. After taking into account the comment letters, the agencies developed the second NPR, which includes specific questions on each aspect of the proposal on which the agencies are seeking feedback. The Agencies will consider all comments received in development of the final rule and will respond to all comments received in the preamble of the final rule document.

9. Payment or Gift to Respondents

No payments or gifts will be provided to respondents.

10. Confidentiality

No assurances of confidentiality have been made by the agencies.

11. Information of a Sensitive Nature

None of the information required to be disclosed or maintained is of a sensitive nature.

12. Estimated Burden

To determine the total paperwork burden for the requirements contained in the proposal, the agencies estimated the universe of sponsors that would be required to comply with the proposed disclosure and recordkeeping requirements. The agencies estimated that approximately 249 unique sponsors conduct ABS offerings per year. This estimate was based on the average number of ABS offerings from 2004 through 2012 reported by the ABS database AB Alert for all non-CMBS transactions and by Securities Data Corporation for all CMBS transactions. Of the 249 sponsors, the agencies assigned 8 percent of these sponsors to the Board, 12 percent to the OCC, 37 percent to the FDIC, and 43 percent to the Commission.

Next the agencies estimated the burden per response that would be associated with each disclosure and recordkeeping requirement, and then estimated how frequently the entities would make the required disclosure by estimating the proportionate amount of offerings per year for each agency. In making this determination, the estimate was based on the average number of ABS offerings from 2004 through 2012, and therefore estimated the total number of annual offerings per year to be 1,334.[1] The agencies also made the following additional estimates:

- 12 offerings per year will be subject to disclosure and recordkeeping requirements under section _.11, which are divided equally among the four agencies (i.e., 3 offerings per year per agency);
- 100 offerings per year will be subject to disclosure and recordkeeping requirements under section _.13, which are divided proportionately among the agencies based on the entity percentages described above (i.e., 8, 12, 37, and 43 offerings per year subject to section _.13, respectively, for the Board, the OCC, the FDIC, and the Commission); and
- 120 offerings per year will be subject to the disclosure requirements under section _.15, which are divided proportionately among the agencies based on the entity percentages described above (i.e., 10, 14, 44, and 52 offerings per year subject to section).15, respectively, for the Board, the OCC, the FDIC, and the Commission. Of these 120 offerings per year, 40 offerings per year will be subject to disclosure and recordkeeping requirements in sections _.16, _.17, and _.18, which are divided proportionately among the agencies based on the entity percentages described above (i.e., 3, 5, 15, and 17 offerings per year subject to each section, respectively, for the Board, the OCC, the

[1] The agencies used the ABS issuance data from Asset-Backed Alert on the initial terms of offerings, and supplemented that data with information from Securities Data Corporation. This estimate includes registered offerings, offerings made under the Securities Act Rule 144A, and traditional private placements. It should be noted that this estimate is for offerings that are not exempted under §§_.19 and _.20 of the proposed rule.

FDIC, and the Commission).

To obtain the estimated number of responses (equal to the number of offerings) for each option in Subpart B of the proposed rule, the agencies multiplied the number of offerings estimated to be subject to the base risk retention requirements (i.e., 1114)[2] by the sponsor percentages described above. The result was the number of base risk retention offerings per year per agency. For the FDIC, this was calculated by multiplying 1,114 offerings per year by 37 percent, which equals 412 offerings per year. This number was then divided by the number of base risk retention options under Subpart B of the proposed rule (i.e., nine)[3] to arrive at the estimated number of offerings per year per agency per base risk option. For the FDIC, this was calculated by dividing 412 offerings per year by nine options, resulting in 46 offerings per year per base risk retention option. The total estimated annual burden for each agency was then calculated by multiplying the number of offerings per year per section by the number of burden hours estimated for the respective section, then adding the subtotals. The FDIC's total estimated burden is 10,726 as set forth in the table below.

Recordkeeping and Disclosure Requirements Associated with Regulation RR (Credit Risk Retention) (Reg RR; OMB No. to be assigned)

	Estimated number of offerings	*Estimated annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
§__.4, Standard Risk Retention				
Horizontal Interest				
Recordkeeping	46	1	0.5	23
Disclosures	46	1	3.0	138
Payment Date Disclosures	46	12	1.0	552
Vertical Interest				
Recordkeeping	46	1	0.5	23
Disclosures	46	1	2.5	115
Combined Horizontal and Vertical Interests				
Recordkeeping	46	1	0.5	23
Disclosures	46	1	4.0	184
Payment Date Disclosures	46	12	1.0	552
§__.5, Revolving Master Trusts				
Recordkeeping	46	1	0.5	23
Disclosures	46	1	4.0	184
§__.6, Eligible ABCP Conduits				

[2] Estimate of 1,334 offerings per year minus the estimate of the number of offerings qualifying for an exemption under §§_.13 and _.15 (220 total).

[3] For purposes of this calculation, the horizontal, vertical, and combined horizontal and vertical risk retention methods under the standard risk retention option are each counted as a separate option under Subpart B of the proposed rule.

Recordkeeping	46	1	20.0	920
Disclosures	46	1	3.0	138
§__.7, Commercial MBS				
Recordkeeping	46	1	30.0	1,380
Disclosures	46	1	20.75	955
§__.8, FNMA and FHLMC				
Disclosures	46	1	1.5	69
§__.9, Open Market CLOs				
Disclosures	46	1	20.25	932
§__.10, Qualified Tender Option Bonds				
Disclosures	46	1	4.0	184
§__.11, Allocation of Risk Retention to an Originator				
Recordkeeping	3	1	20.0	60
Disclosures	3	1	2.5	8
§__.13, Exemption for Qualified Residential Mortgages				
Recordkeeping	37	1	40.0	1,480
Disclosures	37	1	1.25	46
§__.15, Exemptions for Qualifying Commercial Loans, Commercial Real Estate Loans, and Automobile Loans				
Disclosures	44	1	20.0	880
§__.16, Underwriting Standards for Qualifying Commercial Loans				
Recordkeeping	15	1	40.0	600
Disclosures	15	1	1.25	19
§__.17, Underwriting Standards for Qualifying CRE Loans				
Recordkeeping	15	1	40.0	600
Disclosures	15	1	1.25	19
§__.18, Underwriting Standards for Qualifying Automobile Loans				
Recordkeeping	15	1	40.0	600
Disclosures	15	1	1.25	19
Total				10,726

13. Estimate of Total Annual Cost Burden

Under the rule's new credit risk retention requirements, sponsors of securitizations will be required to maintain certain records and make certain disclosures at the time of and subsequent to securitization transactions. There will likely be certain additional costs (excluding recordkeeping and disclosure costs) associated with implementing the rule related to developing and maintaining software, data systems, and data processing capabilities. However, it is difficult to develop estimates of capital and start-up costs and operating and systems maintenance costs that distinguish between those pertaining to these disclosure and recordkeeping requirements and those otherwise related to satisfying the requirements of the rule.

14. Estimate of Total Annual Cost to the Federal Government

The FDIC does not expect to incur material incremental costs in connection with monitoring compliance with the recordkeeping and disclosure requirements.

15. Reason for Change in Burden

This is a new information collection.

16. Publication

The information collected will not be published by the FDIC.

17. Display of Expiration Date

The expiration date, if available, will be set forth in the preamble to the final rule.

18. Exceptions to Certification

This is not a statistical information collection. Therefore, the FDIC cannot appropriately certify that the information collection "uses effective and efficient statistical survey methodology appropriate to the purpose for which the information is to be collected."

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.