

**SUPPORTING STATEMENT  
CAPITAL ADEQUACY STANDARDS  
OMB CONTROL NO. 1557-0318**

**A. Justification.**

***1. Circumstances that make the collection necessary:***

The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (the Board), and the Federal Deposit Insurance Corporation (FDIC) are issuing a proposed rule that would substantially revise the capital requirements applicable to large banking organizations and to banking organizations with significant trading activity. The revisions set forth in the proposed rule would improve the calculation of risk-based capital requirements to better reflect the risks of these banking organizations' exposures, reduce the complexity of the framework, enhance the consistency of requirements across these banking organizations, and facilitate more effective supervisory and market assessments of capital adequacy. Specifically, the rule would revise the information collections encompassed by this information collection by revising 12 CFR part 3, subpart E in its entirety, along with limited changes to other areas of part 3. The proposed rule would generally replace the models-based approaches in subpart E with standard supervisory formulas. The proposed rule would not amend the capital requirements applicable to smaller, less complex banking organizations.

***2. Use of the information:***

The OCC uses the information collected to meet its statutory obligations to adopt and implement a risk-based capital requirement, determine the qualification of a bank for application of the rule, and assess the adequacy of a qualifying bank's risk-based capital.

*Section-by-Section Analysis*

Twelve CFR part 3 sets forth the OCC's minimum capital requirements and overall capital adequacy standards for national banks and Federal savings associations.

*Minimum Regulatory Capital Ratios*

*Recordkeeping Requirements*

Section 3.3(d) allows for the recognition of an agreement as a qualifying master netting agreement if the bank conducts a sufficient legal review and maintain sufficient written documentation of that legal review. Section 3.3(d) further provides that a bank establish and maintain written procedures, to monitor possible changes in relevant law, and to ensure that the agreement continues to satisfy the requirements of the definition of qualifying master netting agreement.

## *Reporting Requirements*

Section 3.22(b)(2)(iv) permits with prior notice to the OCC, a bank resulting from a merger, acquisition, or purchase transaction not subject to subpart E, “Risk-Weighted Assets-Expanded Risk-Based Approach” of 12 CFR part 3, to change its AOCI opt-out election.

Section 3.22(c)(4) permits with the prior written approval of the OCC, that a bank that underwrites a failed underwriting, is not required to deduct an investment in the capital of an unconsolidated financial institution to the extent the investment is related to the failed underwriting.

Section 3.22(c)(5)(i) permits with the prior written approval of the OCC, that a bank subject to 12 CFR part 3, subpart E, that underwrites a failed underwriting, for the period of time stipulated by the OCC is not required to deduct from capital a non-significant investment in the capital of an unconsolidated financial institution or an investment in a covered debt instrument to the extent the investment is related to the failed underwriting.

Section 3.22(c)(6) permits with prior written approval of the OCC, for the period of time stipulated by the OCC, that a bank subject to 12 CFR part 3, subpart E, that underwrites a failed underwriting is not required to deduct the significant investment in the capital of an unconsolidated financial institution or an investment in a covered debt instrument if such investment is related to such failed underwriting.

Section 3.22(d)(2)(i)(C) permits with the prior written approval of the OCC, for the period of time stipulated by the OCC, that a bank subject to 12 CFR part 3, subpart E, that underwrites a failed underwriting is not required to deduct a significant investment in the capital of an unconsolidated financial institution in the form of common stock if such investment is related to such failed underwriting.

Section 3.22(d)(2)(iii) provides that a bank subject to 12 CFR part 3, subpart E, to change its exclusion preference to exclude deferred tax assets (DTAs) and deferred tax liabilities (DTLs) relating to adjustments relating to common equity tier 1 capital after obtaining the prior approval of the OCC.

Section 3.22(h)(2)(iii)(A) permits the use of a conservative estimate of the amount of a bank’s indirect investment in its own capital instruments, its indirect investment in the capital of an unconsolidated financial institution, or its indirect investment in a covered debt instrument held through a position in an index, as applicable, with the prior approval of the OCC.

## *Standardized Approach*

### *Reporting Requirements*

Section 3.34(a)(1)(ii) provides that a bank not subject to 12 CFR part 3, subpart E, may elect to calculate the exposure amount for all its OTC derivative contracts under the standardized approach for counterparty credit risk (SA-CCR) in § 3.113, rather than under CEM, by notifying

the OCC. In addition, if a bank not subject to 12 CFR part 3, subpart E, has elected to use SA-CCR under § 3.34(a)(1)(ii), the bank may only change its election with prior approval of the OCC.

Section 3.37(c)(4)(i)(E) requires that a bank obtain the prior approval of the OCC for and notify the OCC if it makes any material changes to the policies and procedures describing how it determines the period of significant financial stress used to calculate its own internal estimates for haircuts and be able to provide empirical support for the period used.

#### *Recordkeeping Requirements*

Section 3.35(b)(3)(i)(A) requires, for a cleared transaction with a qualified central counterparty (QCCP), that a client bank apply a risk weight of two percent, provided that the collateral posted by the bank to the QCCP is subject to certain arrangements and the client bank has conducted a sufficient legal review (and maintains sufficient written documentation of the legal review) to conclude with a well-founded basis that the arrangements, in the event of a legal challenge, would be found to be legal, valid, binding, and enforceable under the law of the relevant jurisdictions.

Section 3.37(c)(4)(i)(E) requires that a bank have policies and procedures describing how it determines the period of significant financial stress used to calculate its own internal estimates for haircuts and be able to provide empirical support for the period used.

Section 3.41(b)(3), which sets forth operational requirements for securitization exposures, allows a national bank or federal savings association to recognize for risk-based capital purposes, in the case of synthetic securitizations, a credit risk mitigant to hedge underlying exposures if certain conditions are met. Section 3.41(b)(3) includes a requirement that the national bank or federal savings association obtain a well-reasoned opinion from legal counsel that confirms the enforceability of the credit risk mitigant in all relevant jurisdictions.

Section 3.41(c)(2)(i) requires that a bank demonstrate its comprehensive understanding of a securitization exposure by conducting an analysis of the risk characteristics of each securitization exposure prior to its acquisition, taking into account a number of specified considerations and documenting the analysis within three business days after the acquisition.

Section 3.41(c)(2)(ii) requires a bank on an on-going basis (no less frequently than quarterly), to evaluate, review, and update as appropriate the analysis required under § 3.41(c)(1) for each securitization exposure.

#### *Disclosure Requirements*

In a case where a bank provides non-contractual support to a securitization, § 3.42(e)(2) requires the bank to publicly disclose that it has provided implicit support to the securitization and the risk-based capital impact to the bank of providing such implicit support.

Section 3.62 sets forth disclosure requirements related to the capital requirements of a national bank or federal savings association. Section 3.61 provides that these requirements apply to a national bank or federal savings association with total consolidated assets of \$50 billion or more that is not a consolidated subsidiary of an entity that is itself subject to Basel III disclosures. For national banks and federal savings associations subject to the disclosure requirements, § 3.62(a) requires quarterly disclosure of information in the applicable tables in § 3.63 and, if a significant change occurs, such that the most recent reported amounts are no longer reflective of the bank's capital adequacy and risk profile, § 3.62(a) requires the national bank or federal savings association to disclose as soon as practicable thereafter a brief discussion of the change and its likely impact. Section 3.62(a) also permits annual disclosure of qualitative information that typically does not change each quarter, provided that any significant changes are disclosed in the interim.

Section 3.62(b) requires that a bank have a formal disclosure policy approved by the board of directors that addresses its approach for determining the disclosures it makes. The policy must address the associated internal controls and disclosure controls and procedures.

Section 3.62(c) permits a bank to disclose more general information about certain subjects if the bank concludes that the specific commercial or financial information required to be disclosed under § 3.62 is exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552) and the national bank or federal savings association provides the reason the specific items of information have not been disclosed.

Currently, section 3.63 sets forth the specific disclosure requirements for a non-advanced approaches national bank or federal savings association with total consolidated assets of \$50 billion or more that is not a consolidated subsidiary of an entity that is itself subject to Basel III disclosure requirements. Section 3.63(a) requires those institutions to make the disclosures in Tables 1 through 10 in § 3.63 and in § 3.63(b) for each of the last three years beginning on the effective date of the rule.

Section 3.63(b) requires quarterly disclosure of a bank's common equity tier 1 capital, additional tier 1 capital, tier 2 capital, tier 1 and total capital ratios, including the regulatory capital elements and all the regulatory adjustments and deductions needed to calculate the numerator of such ratios; total risk-weighted assets, including the different regulatory adjustments and deductions needed to calculate total risk-weighted assets; regulatory capital ratios during any transition periods, including a description of all the regulatory capital elements and all regulatory adjustments and deductions needed to calculate the numerator and denominator of each capital ratio during any transition period; and a reconciliation of regulatory capital elements as they relate to its balance sheet in any audited consolidated financial statements.

Tables 1 through 10 in § 3.63 set forth qualitative and/or quantitative disclosure requirements for scope of application, capital structure, capital adequacy, capital conservation buffer, credit risk, counterparty credit risk-related exposures, credit risk mitigation, securitizations, equities not subject to subpart F (Risk-Weighted Assets- Market Risk and Credit Valuation Adjustments (CVA)) of the rule, and interest rate risk for non-trading activities.

## *Expanded Risk Based Approach*

### *Reporting Requirements*

Section 3.113(i)(3)(ii)(C) permits a bank to specify a value for supervisory delta with the prior approval of the OCC.

Section 3.114(d)(6)(vi) permits a bank to determine the risk-weighted asset amount for a default fund contribution to a QCCP with the prior approval of the OCC.

Section 3.150(d)(5) permits a bank to exclude from the calculation of its Business Indicator any interest income, interest expense, dividend income, interest-earning assets, fee and commission income, fee and commission expense, other operating income, other operating expense, trading revenue, and net profit or loss on assets and liabilities not held for trading associated with an activity, with the prior approval of the OCC.

Section 3.150(e)(3)(i) permits a bank to exclude from its operational loss, the events associated with an activity that the bank has ceased directly or indirectly to conduct from the calculation of annual total net operational losses, with approval from the OCC.

Section 3.150(e)(3)(ii) permits a bank to exclude operational loss events that are no longer relevant to its risk profile, from the calculation of annual total operational losses, with approval from the OCC.

Section 3.150(e)(3)(iii) permits a bank to exclude operational loss events, if the operational loss events represent a total net operational loss amount equal to five percent or more of average annual total net operational losses prior to the requested exclusion., with approval from the OCC.

### *Recordkeeping Requirements*

Section 3.114(b)(3)(i)(A) permits a bank to assign a 2 percent risk weight to an exposure to a qualifying central counterparty (QCCP), if the bank conducts sufficient legal review, and maintains written documentation of that review.

Section 3.120(e)(1) permits a bank to recognize an eligible credit derivative that does not include as a credit event, a restructuring of the hedged exposure involving forgiveness or postponement of principal, interest, or fees that results in a credit loss event (that is, a charge-off, specific provision, or other similar debit to the profit and loss account) if the bank conducts a sufficient legal review and maintains documentation of that review.

Section 3.121(d)(2)(ii)(c) requires a bank to maintain sufficient written documentation, that a transaction in which a bank borrows securities for the purpose of meeting a current or anticipated demand, including for delivery obligations, customer demand, or segregation requirements, and not to provide financing to the unregulated financial institution, is for the purpose of meeting a current or anticipated demand.

Section 3.130 relates to operational criteria for recognizing the transfer of risk in connection with a securitization. Section 3.130(b)(3) requires a bank to obtain a well-reasoned legal opinion confirming the enforceability of the credit risk mitigant in all relevant jurisdictions.

Section 3.130(c)(2)(i) requires a bank to demonstrate its comprehensive understanding of a securitization exposure under § 3.130(c)(1) for each securitization exposure by conducting an analysis of the risk characteristics of a securitization exposure prior to acquiring the exposure and documenting such analysis within three business days after acquiring the exposure.

Sections 3.130(c)(2)(ii) require that banks, on an on-going basis (at least quarterly), evaluate, review, and update as appropriate the analysis required under this section for each securitization exposure.

Section 3.150(f)(1) requires a bank to have an: (1) operational risk management function that is independent of business line management and designs, implements, and oversees the bank's internal loss event data collection processes specified in paragraph 3.150(f)(2) and the implementing processes identified in paragraph 3.150(f)(1)(ii)-(iii), (2) documented process to identify, measure, monitor, and control operational risk in the bank's products, activities, processes, and systems, and (3) processes to report operational loss events and other relevant operational risk information to business unit management, senior management, and the board of directors (or a designated committee of the board).

Section 3.150(f)(2) requires a bank to have operational loss event data collection processes that produce operational loss event data that satisfies criteria specified in paragraph 3.150(f)(2)(i)-(iv).

Section 3.161(b) requires a bank to have a formal disclosure policy approved by the board of directors that addresses its approach for determining the disclosures it makes and the associated internal and disclosure controls and procedures.

### *Disclosure Requirements*

Section 3.20(c)(1)(xvi) requires that a bank, subject to subpart E (Risk-Weighted Assets-Expanded Risk-Based Approach) disclose to the holders of an offering instrument (governing agreement, offering circular, or prospectus) that they may be fully subordinated to interests held by the U.S. government in the event that the bank enters into a receivership, insolvency, liquidation, or similar proceeding.

Section 3.20(d)(1)(xi) requires that a bank, subject to subpart E (Risk-Weighted Assets-Expanded Risk-Based Approach) disclose to the holders of an offering instrument (governing agreement, offering circular, or prospectus) that they may be fully subordinated to interests held by the U.S. government in the event that the bank enters into a receivership, insolvency, liquidation, or similar proceeding.

Section 3.162 requires a bank subject to subpart E (Risk-Weighted Assets-Expanded Risk-Based Approach) to make the qualitative disclosures described in Tables 1 through 14. The bank must

make these disclosures publicly available for each of the last twelve quarters, or such shorter period beginning in the quarter in which the bank becomes subject to subpart E. The tables require public disclosures for scope of application, capital structure, capital adequacy, countercyclical capital buffer, general disclosures related to credit risk, general disclosures related to counterparty credit risk-related exposures, credit risk mitigation, securitization, equities not subject to subpart F, interest rate risk for non-trading activities, additional disclosure related to the credit quality of assets, general qualitative disclosure requirements related to CVA, qualitative disclosures for banks using the SA-CVA, and general qualitative information on operational risk framework.

**3. *Consideration of the use of improved information technology:***

National banks and Federal savings associations may use any information technology that permits review by OCC examiners.

**4. *Efforts to identify duplication:***

The required information is unique and is not duplicative of any other information already collected.

**5. *If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.***

There are no alternatives that would result in lowering the burden on small institutions, while still accomplishing the purpose of the rule.

**6. *Consequences to the Federal program if the collection were conducted less frequently:***

The OCC will not be able to adequately monitor capital levels and ensure safety and soundness if the collection were conducted less frequently.

**7. *Special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR part 1320:***

The information collection is conducted in a manner consistent with 5 CFR part 1320.

**8. *Efforts to consult with persons outside the agency:***

The OCC along with the FDIC and Federal Reserve Board issued a notice of proposed rulemaking for the collection in the Federal Register (88 FR 64028, September 18, 2023).

**9. *Payment or gift to respondents:***

None.

**10. Any assurance of confidentiality:**

While certain disclosures are required to be made public, most of the collection requirements involve confidential supervisory information and will be kept confidential to the extent permitted by law.

**11. Justification for questions of a sensitive nature:**

There are no questions of a sensitive nature in the information collection.

**12. Burden estimate:**

Section	One-time v. Ongoing	Burden Type	Number of Respondents	Responses per Respondent	Hours per Response	Total Hours
<b>Minimum Regulatory Capital Ratios:</b>						
Counterparty Credit Risk Operational Requirements -- Legal Opinion -- Section: <u>.3(d)</u>	Ongoing	Recordkeeping	48	1	8	384
Regulatory Capital Adjustments and Deductions -- Prior Approval Sections: <u>.22(b)(2)</u> (iv), (c)(4), (c)(5)(i), (c)(6), (d)(2)(i)(C), (d)(2)(iii)	Ongoing	Reporting	48	1	6	288
Regulatory Capital Adjustments and Deductions -- Prior Approval Section: <u>.22(h)(2)</u> (iii)(A)	Ongoing	Reporting	48	1	2	96
<b>Standardized Approach:</b>						
Derivative Contracts --Exposure Amount Methodology Section: <u>.34(a)(1)</u> (ii)	Ongoing	Reporting	1	1	2	2
Cleared Transactions -- Cleared Transaction with a QCCP Risk Weights	One-time	Recordkeeping	48	1	2	96



Section: _.35(b)(3) (i)(A)						
Cleared Transactions -- Cleared Transaction with a QCCP Risk Weights Section: _.35(b)(3) (i)(A)	Ongoing	Recordkeeping	48	1	2	96
Collateralized Transactions -- Internal Estimates for Haircuts Section: _.37(c)(4) (i)(E)	One-time	Recordkeeping	1	1	80	80
Collateralized Transactions -- Internal Estimates for Haircuts Section: _.37(c)(4) (i)(E)	Ongoing	Recordkeeping	1	1	16	16
Operational Requirements for Securitization Exposures -- Legal Opinion Regarding Operational Criteria for Synthetic Securitizations Section: _.41(b)(3) Document Analysis of Operational Criteria for Synthetic Securitizations Section: _.41(c)(2) (i)	One-time	Recordkeeping	48	1	40	1,920
Operational Requirements for Securitization Exposures -- Document Analysis of Operational Criteria for Synthetic Securitizations Section: _.41(c)(2) (ii)	Ongoing	Recordkeeping	48	4	2	384
Collateralized Transactions -- Internal Estimates for Haircuts -- Section: _.37(c)(4)(i) (E)	Ongoing	Reporting	1	1	1	1

Risk-Weighted Assets for Securitization Exposures -- Implicit Support Disclosure Section: <u>.42(e)(2)</u> Credit Risk -- Disclosures Sections: <u>.62(a)-(c)</u> Credit Risk -- Quantitative and Qualitative Disclosures Sections: <u>.63(a)-(b)</u> and <u>.63</u> Tables	One-time	Disclosure	1	1	226.25	226
Risk-Weighted Assets for Securitization Exposures -- Implicit Support Disclosure Section: <u>.42(e)(2)</u>	Ongoing	Disclosure	1	1	20	20
Credit Risk -- Disclosures Sections: <u>.62(a)-(c)</u> Credit Risk -- Quantitative and Qualitative Disclosures Sections: <u>.63(a)-(b)</u> and <u>.63</u> Tables	Ongoing	Disclosure	1	4	111.25	445
<b><i>Expanded Risk Based Approach:</i></b>						
Adjusted Derivative Amount -- Prior Approval Regarding Supervisory Delta Adjustment -- Section: <u>.113(i)(3)</u> (ii)(C)	Ongoing	Reporting	48	1	2	96
Cleared Transactions -- Documentation of Legal Review Regarding Risk Weight Section: <u>.114(b)(3)</u> (i)(A)	Ongoing	Recordkeeping	48	1	1	48
Cleared Transactions -- Prior	Ongoing	Reporting	48	1	2	96

Approval Regarding Exposure Amount of a QCCP to a Clearing Member -- Section: <u>.114(d)(6)(vi)</u>						
Guarantees and Credit Derivatives_Substitution Approach -- Documentation of Legal Review of Adjustment for Credit Derivatives Without Restructuring as a Credit Event Section: <u>.120(e)(1)</u>	One-time	Recordkeeping	48	1	40	1,920
Guarantees and Credit Derivatives_Substitution Approach -- Documentation of Legal Review of Adjustment for Credit Derivatives Without Restructuring as a Credit Event Section: <u>.120(e)(1)</u>	Ongoing	Recordkeeping	48	1	1	48
Collateralized Transactions -- Maintain Written Documentation for Transactions Subject to the Minimum Haircut Floors Section: <u>.121(d)(2)(ii)(C)</u>	Ongoing	Recordkeeping	48	1	1	48
Operational Criteria for Recognizing the Transfer of Risk -- Legal Opinion Section: <u>.130(b)(3)</u>	Ongoing	Recordkeeping	48	1	39	1,872
Operational Criteria for Recognizing the Transfer of Risk -- Documentation of Analysis of Risk of Securitization Exposure Section: <u>.130(c)(2)(i)-(ii)</u>	One-time	Recordkeeping	48	1	81	3,888
Operational Criteria for Recognizing the Transfer of Risk --	Ongoing	Recordkeeping	48	4	2	384

Updating Analysis for Each Securitization Exposure Section: <u>130(c)(2)(ii)</u>						
Operational Risk Capital -- Prior Approval of Business Indicator Exclusions Section: <u>150(d)(5)</u>	Ongoing	Reporting	48	1	20	960
Operational Risk Capital -- Prior Approval of Operational Loss Events Exclusion Section: <u>150(e)(3)(i)-(ii)</u>	Ongoing	Reporting	48	1	40	1,920
Operational Risk Capital -- Operational Risk Management and Operational Loss Event Data Collection Processes Documentation Section: <u>150(f)(1)-(2)</u>	One-time	Recordkeeping	48	1	70	3,360
Operational Risk Capital -- Operational Risk Management and Operational Loss Event Data Collection Processes Documentation Section: <u>150(f)(1)-(2)</u>	Ongoing	Recordkeeping	48	1	22	1,056
Disclosure Requirements -- Disclosure Policy Section: <u>161(b)</u>	Ongoing	Recordkeeping	1	1	1	1
Disclosure -- Section: <u>20(c)(1)(xiv), (d)(1)(xi)</u>	Ongoing	Disclosure	48	1	2	96
Section: <u>162</u>	One-time	Disclosure	1	1	328	328
<u>Table 1-</u> Scope of Application Disclosures Section: <u>162</u> <u>Table 2-</u> Capital Structure Disclosures						

<p>Section: <u>162</u>  <u>Table 3</u> - Capital Adequacy Disclosures  Section: <u>162</u>  <u>Table 4</u>- Countercyclical Capital Buffer Disclosures  Section: <u>162</u>  <u>Table 5</u>- Credit Risk: General Disclosures  Section: <u>162</u>  <u>Table 6</u>- General Disclosure for Counterparty Credit Risk-Related Exposures  Section: <u>162</u>  <u>Table 7</u>- Credit Risk Mitigation Disclosures  Section: <u>162</u>  <u>Table 8</u>- Securitization Disclosures  Section: <u>162</u>  <u>Table 9</u>- Equities Not Subject to Subpart F Disclosure  Section: <u>162</u>  <u>Table 10</u>- Interest Rate Risk for Non-Trading Activities Disclosures  Section: <u>162</u>  <u>Table 11</u>- Additional Disclosure Related to the Credit Quality of Assets  Section: <u>162</u>  <u>Table 12</u>- General Qualitative Disclosure Requirements Related To CVA  Section: <u>162</u>  <u>Table 13</u>- Qualitative Disclosures for Banks Using the SA-CVA  Section: <u>162</u></p>						
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<u>Table 14-</u> General Qualitative Information on Operational Risk Framework Disclosure Section: <u>_.162</u>						
Section: <u>_.162</u>  <u>Table 1-</u> Scope of Application Disclosures Section: <u>_.162</u> <u>Table 2-</u> Capital Structure Disclosures Section: <u>_.162</u> <u>Table 3 -</u> Capital Adequacy Disclosures Section: <u>_.162</u> <u>Table 4-</u> Countercyclical Capital Buffer Disclosures Section: <u>_.162</u> <u>Table 5-</u> Credit Risk: General Disclosures Section: <u>_.162</u> <u>Table 6-</u> General Disclosure for Counterparty Credit Risk-Related Exposures Section: <u>_.162</u> <u>Table 7-</u> Credit Risk Mitigation Disclosures Section: <u>_.162</u> <u>Table 8-</u> Securitization Disclosures Section: <u>_.162</u> <u>Table 9-</u> Equities Not Subject to Subpart F Disclosure Section: <u>_.162</u> <u>Table 10-</u> Interest Rate Risk for Non-Trading Activities Disclosures Section: <u>_.162</u> <u>Table 11-</u>	Ongoing	Disclosure	1	4	90	360

Additional Disclosure Related to the Credit Quality of Assets Section: <u>.162</u> <u>Table 12-</u> General Qualitative Disclosure Requirements Related To CVA Section: <u>.162</u> <u>Table 13-</u> Qualitative Disclosures for Banks Using the SA-CVA Section: <u>.162</u> <u>Table 14-</u> General Qualitative Information on Operational Risk Framework Disclosure Section: <u>.162</u>						
<b>TOTAL</b>			48			20,535

**Cost of Hour Burden:**

20,535 hours x \$128.05 per hour = \$2,629,507

To estimate wages the OCC reviewed May 2022 data for wages (by industry and occupation) from the U.S. Bureau of Labor Statistics (BLS) for credit intermediation and related activities (NAICS 5220A1). To estimate compensation costs associated with the rule, the OCC uses \$128.05 per hour, which is based on the average of the 90th percentile for six occupations adjusted for inflation (5.1 percent as of Q1 2023), plus an additional 34.3 percent for benefits (based on the percent of total compensation allocated to benefits as of Q4 2022 for NAICS 522: credit intermediation and related activities).

**13. Estimate of total annual costs to respondents (excluding cost of hour burden in Item #12):**

Not applicable.

**14. Estimate of annualized costs to the Federal government:**

Not applicable.

**15. Change in burden:**

The NPR modifies the reporting, recordkeeping, and disclosure requirements of the regulatory capital rules by adding new requirements and revising existing reporting, recordkeeping, and disclosure requirements. In particular, a number of model approval requirements and disclosure tables in the current rule would be discontinued. As a result, there is a decrease in burden hours of 45,570 hours.

***16. Information regarding collections whose results are to be published for statistical use:***

Not applicable.

***17. Reasons for not displaying OMB approval expiration date:***

Not applicable.

***18. Exceptions to the certification statement:***

None.

**B. Collections of Information Employing Statistical Methods.**

Not applicable.