

Micro Report Series Description

Series Mnemonic	ISUD
Series Name	Financial Statements for a Bank Holding Company Subsidiary Engaged in Ineligible Securities Underwriting and Dealing; FR Y-20
Starting and Ending Date	March 31, 1990 Continuing
Frequency	Quarterly, as of the last calendar day of the quarter

Reporting Panel

The panel consists of all BHCs with subsidiaries that applied, under section 4(c)(8) of the Bank Holding Company Act (BHC Act), and received the Board's approval to engage in limited underwriting and dealing in bank-ineligible securities (i.e., securities that banks were not authorized to underwrite and to deal in prior to passage of the Gramm-Leach-Bliley Act). Participation is required.

Major Changes to Reporting Panel

None

Data Mode

Quarterly

Thousands of dollars

Data Availability

Approximately 45 days following the end of the report cycle. If the 45-day deadline falls on a weekend or holiday, the deadline is moved to the next business day.

Major Series Changes

Beginning June 30, 2005, the FR Y-20 report was revised to contain only those data items needed to monitor compliance with the Board's revenue test. Schedule SUD-I-Statement of Income, was retained in its entirety. Schedule SUD-Balance Sheet, retained only the following items, which were converted from a balance sheet to a memoranda schedule:

- Item 13-Balances due from related institutions
 - a. Due from bank holding company (parent company only), gross
 - b. Due from subsidiary banks of the bank holding company, gross

- c. Due from nonblank subsidiaries of the bank holding company, gross
- Item 25-Balances due to related institutions
 - a. Due to bank holding company (parent company only), gross
 - b. Due to subsidiary banks of the bank holding company, gross
 - c. Due to nonblank subsidiaries of the bank holding company, gross

(The two above items need not be reported if the parent company files the Consolidated Financial Statements for Bank Holding Companies (FR Y-9C; OMB No. 7100-0128).

- Memoranda item 1 – Amount of intercompany liabilities reported in items 25.a, 25.b, and 25.c that qualify as liabilities subordinated to claims of general creditors. Schedule SUD-A-Securities Owned, Including Money Market Obligations and Schedule SUD-E-Statement of Changes in Stockholders' Equity, was eliminate in its entirety.

Beginning September 30, 1999, The cover page of the FR Y-20 was amended to include an indicator box to denote if the report is prepared on a consolidated or unconsolidated basis. Two lines were added to the balance sheet, Schedule SUD: "Loans and leases held for trading" (item 11) and "Allowance for losses from loans and lleases held for trading" (item 11a). An additional indicator box was added to the Statement of Income to denote whether it is reported on a consolidated, unconsolidated, or parent-company-only basis. Line 16 of Schedule SUD-I was amended to include exchange fees. Other changes also include organizational reporting guidance, revisions due to change in Board orders and Board Legal Division interpretations, and changes in accounting standards.

Beginning August 22, 1997, the Board approved comprehensive changes to the firewalls and incorporated the remaining restrictions in a statement of operating standards. The modifications became effective October 31, 1997. One of the effects of the approval was the elimination of the firewall that require capital deductions relating to the section 20 subsidiary in determining capital adequacy. Therefore, Section HC-J of the FR Y-9C, which collected deconsolidated risk-based capital data, was eliminated in the fourth quarter of 1997. This action caused some of the interseries edits between the FR Y-20 data and the FR Y-9C data to become obsolete.

Beginning September 1996, changes to the system parameters were made to provide the appropriate data collection in situations where a bank holding company is permitted to operate parent-subsidiary section 20 companies. Both section 20 subsidiaries must independently comply with the revenue test as well as on a consolidated basis. Therefore, a "parent only" Statement of Income was included in the Item Definition.

Also the instructions (Gen-3, Schedule SUD-I, line items 3 and 5) were changed to reflect the Board's action of September 11, 1996, amending its section 20 orders to reflect a change in the revenue test to treat as bank-eligible revenue, interest earned on certain securities that a bank may hold for its own account, but neither underwrite nor deal in (collectively, "investment securities"). Investment securities include investment-grade corporate debt securities and certain municipal revenue bonds. The interest earned by a section 20 subsidiary on investment securities that it holds is deemed to be bank-eligible revenue.

Beginning March 31, 1995, a correction to the MDRM numbers on the Statement of Income, items M.4.b(1) and M.4.b(2), columns (1) and (2) were made in March 1995 and were retroactive back to March 31, 1993.

Beginning December 31, 1994, three memorandum items were added to Schedule SUD-I to collect information on the amount of year-to-date total gross revenues, total expenses, and net income.

Beginning March 31, 1993, as a result of the Board's order to modify its Section 20 orders to allow Section 20 subsidiaries the option of measuring compliance with the "engaged principally" test in Section 20 of the Glass-Steagall Act on the basis of an indexed revenue test (see the Tech. Memo), 22 data cells (a "yes/no" item (item 3) and components of the new memoranda item 4) were added to the memoranda section of Schedule SUD-I. Also one memoranda item (item 5) was added to Schedule SUD-I on neutral revenue, which primarily affected the computation of gross revenue (Schedule SUD-I item 11) and the computation of the unadjusted revenue ratio and the indexed revenue ratio.

Confidentiality

Microdata are confidential.