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By email: rule-comments@sec.gov

U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Request for Comment on Possible Changes to Industry Guide 3 (Statistical Disclosure by Bank Holding Companies) File Number S7-02-17.

Dear Office of the Secretary:

The Center for Audit Quality (“CAQ”) is an autonomous public policy organization dedicated to enhancing investor confidence and public trust in the global capital markets. The CAQ fosters high quality performance by public company auditors; convenes and collaborates with other stakeholders to advance the discussion of critical issues requiring action and intervention; and advocates policies and standards that promote public company auditors’ objectivity, effectiveness, and responsiveness to dynamic market conditions. Based in Washington, D.C., the CAQ is affiliated with the American Institute of CPAs.

The CAQ appreciates the opportunity to share our views and provide input on the Securities and Exchange Commission’s (“Commission” or “SEC”) *Request for Comment on Possible Changes to Industry Guide 3, Statistical Disclosure by Bank Holding Companies (“Guide 3” or “Request for Comment”)*.¹ This letter represents the observations of the CAQ but not necessarily the views of any specific firm, individual, or CAQ Governing Board member.

The CAQ appreciates and supports the Commission’s efforts to modernize the nature, timing, scope and applicability of Guide 3. We agree with the Commission’s observations that disclosure requirements in US Generally Accepted Accounting Principles (“GAAP”), International Financial Reporting Standards (“IFRS”) and other SEC regulations have evolved since Guide 3 was first published in 1976, resulting in duplicative disclosure requirements for bank holding company (“BHC”) registrants. We believe the Commission’s efforts to modernize and update Guide 3 could benefit investors by providing them with more relevant information. To that end, we encourage the Commission to conduct outreach with investors and other users of financial statements to obtain input regarding disclosures that are most relevant and helpful.

¹ Request for Comment on Possible Changes to Industry Guide 3 (*Statistical Disclosure by Bank Holding Companies*), Release No. 33-10321; 34-80131; File No. S7-02-17.

Since auditors play an important role in enhancing the quality, rigor, and reliability of financial information disclosed in Commission filings, the profession has a strong interest in the success of the Commission's Disclosure Effectiveness Initiative. Additionally, we have a requirement under our professional standards to read the other information presented in a document with the financial statements and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements.² Therefore, we provide our comments through the lens of the public company audit profession.

The body of this letter provides our overall observations regarding questions raised in the Request for Comment while Appendix A provides an analysis of disclosure requirements between Guide 3, GAAP and other existing SEC rules and regulations. Similar to Appendix A, Appendix B provides an analysis of disclosure requirements among IFRS and Guide 3. We have not addressed individual questions; rather, we have provided our observations organized into the following sections:

- I. Application, Scope and Framework of Guide 3
- II. Duplication of GAAP and SEC Rules and Regulations
- III. Disclosure Regarding Potential Effects of New Accounting Standards Issued but Not Yet Effective
- IV. Disclosures Not Redundant with Existing GAAP or New Accounting Standards
- V. Regulatory Matters and Related Disclosures
- VI. Foreign Private Issuers

Appendix A: Analysis of Disclosure Requirements Among Guide 3, Other SEC Guidance and GAAP

Appendix B: Analysis of Disclosure Requirements Among Guide 3 and IFRS

I. Application, Scope and Framework of Guide 3

Application and Scope

Guide 3 was first published in 1976 and the disclosure requirements have not significantly changed since 1986. Since then, the financial services industry has experienced unprecedented credit cycles, product innovations, technological improvements and changes to regulatory requirements. During this same time period, GAAP, IFRS and SEC disclosures have also expanded while the requirements of Guide 3 disclosures have remained substantially the same.

Guide 3 was originally intended to apply only to BHCs. However, as indicated in Staff Accounting Bulletin ("SAB") Topic 11:K, *Application of Article 9 and Guide 3*, the Staff of the Division of Corporation Finance and the Office of the Chief Accountant (the "Staff") believe Guide 3 should be applied to any entity engaged in material lending and deposit activities. Expanding the applicability of the requirements of Guide 3 increases the amount of information required to be prepared and disclosed by non-BHC's, and could have an impact on compliance costs. Based on our experience as well as a review of comment letters issued by the Staff, the applicability of Guide 3 beyond BHCs is not always clear. Accordingly, we recommend that the Commission evaluate the criteria for determining the applicability of Guide 3 and provide clear direction regarding its scope, thereby enabling non-BHC registrants to evaluate its applicability.

We believe the scope of Guide 3 should be activity-based (specific as to the material operations of the entity such as lending and/or deposit activities) as opposed to industry or specific legal entity-based. This will allow Guide 3 to be adaptable for future changes to the financial services industry.

² PCAOB Auditing Standard 2710 Other Information in Documents Containing Audited Financial Statements, paragraph

Framework

Guide 3 consists of a list of specific disclosure requirements. We believe investors and other users of Guide 3 disclosures would benefit from the establishment of a framework of well-defined objectives for Guide 3 to assist preparers in determining the information that will best benefit users in the most cost-efficient manner. Consistent with Item 303 of Regulation S-K, *Management's discussion and analysis of financial condition and results of operations*, ("MD&A"), we believe this framework should be principles-based, articulating clear and understandable disclosure objectives. We believe this type of framework provides flexibility to the preparer to provide relevant information while reducing repetitive disclosures. Conversely, we believe the use of prescriptive bright-line or monetary thresholds to trigger disclosures could result in disclosures that are not useful or meaningful.

Recently the Enhanced Disclosure Task Force (the "EDTF") of the Financial Stability Board surveyed certain global and domestic systemically-important institutions and conducted reviews of selected disclosures made by these institutions.³ These activities included the active participation of investors, analysts and rating agencies who are users of the financial information and disclosures made by these institutions. We encourage the SEC to consider the recommendations of the EDTF along with feedback from investors as the SEC contemplates changes to Guide 3 and develops its framework.

We also note that Guide 3 instructions require up to 5 years of data for certain disclosures while financial statements and MD&A typically provide 3 years of income statement and 2 years of balance sheet data. As part of the engagement with investors and other users to determine the objectives of Guide 3, we recommend that the Commission assess the relevancy of the time periods required for statistical information that go beyond the financial statement periods in analyzing trends in lending and credit cycles.

II. Duplication of GAAP and SEC Rules and Regulations

Since Guide 3 was issued, numerous accounting standards have been adopted with respect to derivatives, investment securities, loans, allowance for loan losses and fair value measurements that have disclosure requirements that are duplicative of the various requirements of Guide 3. In response to the Request for Comment, Appendix A contains a detailed analysis of disclosures called for by Guide 3 and existing Commission rules and/or GAAP and highlights the substantial duplication that exists. We recommend the elimination of unnecessary duplication of disclosures. This elimination relates not only to the same disclosure, but includes situations in which the disclosures could be different but the objective of the disclosure is similar or the same. For example, if GAAP contains disclosure objectives and requirements on credit impairment, a duplicative objective or requirement would not be needed in Guide 3. As part of its lengthy and rigorous process to enact a new GAAP standard, including disclosure requirements, the Financial Accounting Standards Board ("FASB") solicits information from all key stakeholders, including preparers and investors regarding which disclosures are most beneficial and thus should be required. In considering changes to Guide 3, we recommend the SEC consider the FASB's efforts to identify those necessary disclosures, including those that were evaluated by the FASB but rejected during standard setting.

III. Disclosure Regarding Potential Effects of New Accounting Standards Issued but Not Yet Effective

The Request for Comment solicited input regarding disclosures that will be required by GAAP standards that have been issued and will be adopted in the future (e.g., credit impairment, revenue recognition, leasing, classification and measurement, and others). Investors are in the best position to provide insight as to what disclosures required by these new standards they may find useful or meaningful. Similarly, registrants are best

³ EDTF 2015 Progress Report can be located at <http://www.fsb.org/wp-content/uploads/2015-Progress-Report-on-Implementation-of-the-EDTF-Principles-and-Recommendations.pdf>

situated to provide insight as to what challenges they may encounter when compiling additional information outside of these standards. However, we would encourage the SEC to consider the following:

- As stated above, the FASB conducted extensive deliberations regarding the disclosure requirements as part of its due process in developing these new standards. As such, we recommend the SEC evaluate FASB's new standards to avoid duplicative and/or incremental disclosure requirements.
- We recommend the SEC continue their ongoing dialog with the FASB's Transition Resource Groups ("TRG") regarding these new standards throughout the implementation process.

In addition, preparers need adequate time to adopt the standards and report under the new requirements before further determinations can be made regarding the usefulness and comparability of these disclosures. At a later time, the SEC, FASB and the preparer and investor communities can re-assess and determine whether additional disclosures would be useful to help ensure uniformity in how institutions disclose such information to enhance comparability and usefulness.

IV. Disclosures Not Redundant with Existing GAAP or New Accounting Standards

As stated above, many requirements of Guide 3 have become redundant with existing GAAP. However, Guide 3 still contains disclosures that are not duplicative of GAAP and should only be eliminated if the Commission obtains feedback that particular disclosures are not useful or relevant. For example, the average balance sheet and average interest earning assets and liabilities disclosures provide investors more than a point in time view at the balance sheet date and can help investors identify potential adverse trends or sensitivities in income or funding.

Similarly, there are other Guide 3 requirements (such as disclosures of return on equity and assets or other ratios) that are not redundant with GAAP or Commission rules that may also be of value to investors and other users. The investor community may identify other disclosures that they find useful when analyzing the performance of a registrant with material lending and/or deposit operations. We recommend that the Commission conduct further outreach with investors and other users to obtain input regarding any future revisions of Guide 3. We would also encourage the SEC to consult with the FASB and other standard setters regarding the investor feedback they have received with respect to elements of Guide 3 that have not been codified to understand views that have already been obtained. In this regard, we recommend that the Commission consider holding a public roundtable with investors, standard setters and preparers as the SEC embarks on their process to revise Guide 3.

V. Regulatory Matters and Related Disclosures

The financial crisis in the 2000s triggered a significant increase in the regulation and supervision of the financial services industry around the world. In the United States, the Dodd-Frank Act promulgated a series of regulations to increase the safety and soundness of the domestic financial markets. Prudential federal regulators have also put in place numerous requirements, including the preparation of financial stress tests that are designed to evaluate bank performance under a range of scenarios and the drafting of resolution plans. These activities are forward-looking quantitative and qualitative evaluations under a hypothetical (and possibly remote) set of economic conditions.

The Request for Comment solicited input on the manner in which information in the Consolidated Reports of Condition and Income ("Call Reports")⁴ or other regulatory filings (stress tests, resolution plans and others)

⁴ The U.S. banking agencies require their regulated banking organizations to file publicly available Call Reports on a periodic basis.

should be reflected in Commission filings. It should be noted that Call Reports, stress tests and resolution plans are intended for a specific purpose – primarily monitoring the safety and soundness by prudential federal regulators of insured depository institutions. In contrast, SEC disclosures are intended primarily to provide investors with useful information that will enable them to make informed investment decisions.

SEC rules and regulations require that registrants prepare financial disclosures that provide data and narrative explanations that enhance a reader’s understanding of the company’s performance and risks. As a result, when analyzing the current and future requirements of Guide 3, the SEC should holistically consider the current information required by (1) GAAP with respect to financial statements, (2) MD&A and (3) quantitative and qualitative disclosures about market risk. Additionally, the SEC may wish to seek the feedback of other regulators to understand if there are current regulatory requirements that accomplish similar objectives of Guide 3. As such, financial institutions would have to determine the extent of time and effort necessary to design financial reporting processes and controls in consideration of those already in place, if any, in providing similar information to comply with existing regulatory requirements.

The Request for Comment also asked if disclosures outside of SEC filings could be incorporated into disclosure requirements. While we acknowledge the convenience of inserting a hyperlink or incorporating by reference regulatory filings, mandating such within Commission filings raises concerns that we believe warrant further consideration by registrants, the Public Company Accounting Oversight Board (“PCAOB”), prudential federal regulators, investors, auditors and others. These concerns include:

- Call Reports incorporated by reference or hyperlinked could require additional audit-related procedures as required by PCAOB Auditing Standard 2710, *Other Information in Documents Containing Audited Financial Statements*. Investors and other users may also make assumptions regarding the level of auditor involvement with the information incorporated by reference.
- Many BHC’s have subsidiaries that are not required to provide separate regulatory filings which could lead to situations where a user would be unable to understand the relationship of the regulatory filing to the consolidated information within the financial statements. Requiring these types of disclosures could in effect create a subsidiary reporting requirement on BHCs that does not currently exist for non-BHC entities.
- A registrant, including a non-BHC, might be required to insert a hyperlink to a subsidiary banking institution that is immaterial to the registrant’s total operations which could cause investor confusion.
- Creating hyperlinks to other regulatory filings could create confusion as to the intended purpose of the information. Since SEC filings are investor-focused and other regulatory filings are focused on safety and soundness investors and other users of the information could draw inappropriate conclusions.
- Foreign registrants required to hyperlink or incorporate by reference regulatory filings required in their home jurisdiction may not be beneficial for users here in the United States as some of these filings would not be prepared in English.

We believe that hyperlinks or incorporating by reference regulatory filings should not be encouraged or permitted. Registrants are disclosing information in their SEC filings that provide information with respect to their current financial performance, regulatory capital requirements and their views on the likelihood that their past performance may or may not be indicative of their future performance.

VI. Foreign Private Issuers

As outlined above, we encourage the SEC to solicit input from investors regarding the scope of Guide 3 to include all registrants (foreign and domestic) with material lending and/or deposit operations. The feedback from the investor community is critical to assess and understand if they believe the current information being

provided by a Form 20-F filer should be expanded or contracted with any revisions to Guide 3. That said, we are supportive of eliminating any redundant disclosures between Guide 3 and existing and to-be-adopted IFRS. Appendix B highlights these redundancies by providing a tabular comparison of IFRS and Guide 3 disclosures.

Registrants who report under IFRS face particular challenges and associated incremental time and expense in presenting Guide 3 disclosures as some of the detailed instructions presume a GAAP presentation (e.g., nonaccrual loans and troubled debt restructuring (“TDR”) concepts do not exist under IFRS). For IFRS reporting companies, we support permitting Guide 3 disclosures to align with financial statement preparation and presentation under IFRS. For example, loan modifications could be reported consistent with IFRS concepts as opposed to TDR guidance contained within GAAP. Inclusion of both IFRS modification and GAAP TDR disclosures could be duplicative and could be confusing for financial statement users. As a result, we would encourage the Commission to continue to study the issue further and conduct outreach specific to investors on how they analyze and make investment decisions with respect to foreign and domestic registrants who report using different accounting frameworks.

Before concluding that a specific provision(s) of Guide 3 should be retained for a foreign private issuer that is redundant under GAAP, the Commission should evaluate the totality of the disclosures provided by a registrant that files under IFRS to determine if the incremental disclosure is necessary.

* * *

We appreciate the opportunity to comment on the questions raised in the Request for Comment. As the Staff and Commission gather feedback from preparers, users and other interested parties, we would be pleased to discuss our comments or answer any questions that the Staff or Commissioners may have regarding the views expressed in this letter.

Sincerely,



Cynthia M. Fornelli
Executive Director
Center for Audit Quality

cc:

SEC

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Michael S. Piwowar, Commissioner
Kara M. Stein, Commissioner
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Appendix A: Analysis of Disclosure Requirements among Guide 3, Other SEC Guidance and GAAP

Guide 3	Existing GAAP	Other SEC Guidance	Issued but not yet effective GAAP	Observations
General Instructions				
3. (a) and (b) Reported Period – Present three to five years of data for specific items 3. (c) Present two years if below certain thresholds	Not required	S-X 3-01 and 3-02 require 3 years of income and 2 years of balance sheet. Specific presentation rules exist for emerging growth and smaller reporting companies.	Not required	Existing SEC requirements for emerging growth and smaller reporting companies differs from Guide 3 requirements.
3. (d) Present Guide 3 disclosures for interim periods to keep information from being misleading	GAAP disclosure requirements for investment securities, loans and credit losses are similar to the annual requirements noted below. ASC 270-10-50 also suggests disclosure of significant events impacting the interim results.	S-X 10-01 requires disclosure so as to make the interim financial statements presented not misleading.	GAAP disclosure requirements are similar to the annual requirements noted below.	Guide 3 requirements are redundant with Article 10 and GAAP.
I. Distribution of Assets, Liabilities and Stockholders' Equity; Interest Rates and Interest Differential				
A. Average balance sheets	Not required	Not required	Not required	Unique disclosures required by Guide 3
B. Average earning assets and liabilities, interest earned and paid, and average rate	Not required	Not required	Not required	Unique disclosures required by Guide 3
C. Dollar change and rate/volume change in interest earning assets and liabilities	Not required	Not required	Not required	Unique disclosures required by Guide 3
II. Investment Portfolio				
A. Book value of investments by category	ASC 320-10-50 – Requires disclosing amortized cost and fair value of AFS and HTM	S-X 9-03.4 and 9-03.6 – Require disclosing the carrying value and market value of securities by specified category	No change from existing guidance	Guide 3 requirements are redundant with Article 9 and GAAP. S-X requires similar disclosures to those required by GAAP. Guide 3 is different from the requirement in existing GAAP in that GAAP requires disclosure of amortized cost and fair value as opposed to Guide 3 requirement to disclose book value.

Appendix A: Analysis of Disclosure Requirements among Guide 3, Other SEC Guidance and GAAP

Guide 3	Existing GAAP	Other SEC Guidance	Issued but not yet effective GAAP	Observations
B. Range of maturities and weighted average yields	Maturities: ASC 320-10-50 – Requires disclosing maturities for AFS and HTM securities Weighted average yield: Not required	Maturities: Not required Weighted average: Regulation S-K Item 305 requirement to disclose average balances.	Maturities: No change from existing guidance Weighted average yield: Not required	Maturities: Similar disclosure requirements exist under GAAP and Guide 3 Weighted average: No GAAP requirement to disclose
C. Investments exceeding 10% of stockholder's equity	Not required	Not required	Not required	Unique disclosures required by Guide 3
III. Loan Portfolio				
A. Types of Loans	ASC 310-10-45-2 and 310-10-50-3 - Requires disclosing major categories of loans	S-X 9-03.7 – Requires disclosing loans by separate categories	No change from existing guidance	Guide 3 requirements are redundant with Article 9 and generally redundant with GAAP, however they are not as prescriptive as those breakouts required by Guide 3.
B. Maturities and Sensitives of Loans to Changes in Interest Rates	Not required	S-K 305 - Quantitative and Qualitative Disclosures About Market Risk	Not required	Unique disclosures required by Guide 3
C. Risk Elements 1. Nonaccrual, Past Due and Restructured Loans - Accruing loans past due 90 days or more - TDRs - Policy for placing loans on nonaccrual	ASC 310-10-50-6 & 7 – Requires disclosing nonaccrual and loans 90 days past due ASC 310-10-50-33 & 34: - Requires disclosing TDR disclosures ASC 310-10-50-29 – Requires disclosing credit quality indicators ASC 310-40-50-1 – Requires TDR disclosures	Not required	ASC 326-20-50-5 & 6 – Requires disclosing credit quality indicators ASC 326-20-50-14 – Requires disclosing aging analysis ASC 326-20-50-16 – Requires disclosing nonaccrual and loans 90 days past due	Guide 3 requirements for nonaccrual, past due, and restructured loans are redundant with current and future GAAP.
2. Potential Problem Loans.	See considerations immediately above.	Not required	See considerations immediately above.	GAAP addresses the objective of the Guide 3 requirements.
3. Foreign Outstandings	ASC 310-10-50-3, ASC 275-10-50, or ASC 825-10-50-20 and 21 when these concentrations are significant	Not required	No change from existing guidance	GAAP addresses the objective of the Guide 3 requirements.

Appendix A: Analysis of Disclosure Requirements among Guide 3, Other SEC Guidance and GAAP

Guide 3	Existing GAAP	Other SEC Guidance	Issued but not yet effective GAAP	Observations
4. Loan Concentrations	See considerations immediately above.	Not required	No change from existing guidance	GAAP addresses the objective of the Guide 3 requirements.
D. Other Interest Bearing	Not required	Not required	Not required	Although GAAP does not include the specific disclosure required by Guide 3, there is likely significant overlap in other areas of GAAP that address credit risk disclosures for financial instruments – e.g. ASC 310, 320, 825.
IV. Summary of Loan Loss Experience				
A. Analysis of loss experience	ASC 310-10-50-11B – Requires roll forward of credit allowance	S-X 9-03.7(d) Requires roll forward of credit allowance	ASC 326-20-50-13 – Requires roll forward of expected credit losses	Guide 3 requirements are redundant with Article 9 and generally redundant with GAAP, however they are not as prescriptive as those breakouts required by Guide 3.
B. Breakdown of the allowance for loan losses	ASC 310-10-50-11B – Requires roll forward of credit allowance by portfolio segment	Not required	ASC 326-20-50-13 – Requires roll forward of expected credit losses including ending balance by portfolio segment	Guide 3 requirements are generally redundant with GAAP, however they are not as prescriptive as those breakouts required by Guide 3.
V. Deposits				
A-C. Average amount and rates of deposits by type as well as deposits by foreign depositors	Not required	Not required	Not required	Unique disclosures required by Guide 3
D. Domestic offices time certificates of deposit and other time deposits over \$100,000 by maturity	ASC-942-405-50-1 – Requires disclosure of the aggregate amount of time deposit accounts (including CDs) in denominations that meet or exceed the FDIC insurance limit ASC 470-10-50-1- Requires disclosure of time deposits having a remaining term of more than one year, the aggregate amount of maturities for each of the five years following the balance sheet date	Not required	No change from existing guidance	GAAP addresses the objective of the Guide 3 requirements.

Appendix A: Analysis of Disclosure Requirements among Guide 3, Other SEC Guidance and GAAP

Guide 3	Existing GAAP	Other SEC Guidance	Issued but not yet effective GAAP	Observations
E. Foreign offices time certificates of deposit and other time deposits greater than \$100,000	Not required	Not required	Not required	Unique disclosures required by Guide 3
VI. Return on Equity and Assets				
For each reported period, present the following: 1. Return on assets 2. Return on equity 3. Dividend payout ratio 4. Equity to assets ratio	Not required	Not required	Not required	Unique disclosures required by Guide 3
VII. Short-Term Borrowings				
1. Amount outstanding, weighted average interest rate, and general terms	860-30-50-7 – Requires disclosure for secured borrowings	S-X 9-03.13 and 5-02.19 – Require disclosure of short-term borrowings S-X9-03.13(a) and 5-02.22 – Require disclosure of the amount and terms of unused lines of credit for short-term borrowings including weighted-average interest rate	No change from existing guidance	Guide 3 requirements are redundant with Article 9.
2 and 3. Maximum and average amount outstanding at any month end	Not required	Not required	Not required	Unique disclosures required by Guide 3

Appendix B: Analysis of Disclosure Requirements among Guide 3 and IFRS

Guide 3	Existing IFRS	Issued but not yet effective IFRS	Observations
General Instructions			
3. (a) and (b) Reported Period – Present three to five years of data for specific items 3. (c) Present two years if below certain thresholds	IAS 1-38 - Comparative period required	No change from existing guidance	Guide 3 requires additional periods beyond IFRS and S-X 3-01 and 3-02.
3. (d) Present Guide 3 disclosures for interim periods to keep information from being misleading	IAS 34 – Requires disclosure if material change from annual financial statements	No change from existing guidance	IFRS addresses the objective of the Guide 3 requirements.
I. Distribution of Assets, Liabilities and Stockholders' Equity; Interest Rates and Interest Differential			
A. Average balance sheets	No specific requirement IFRS 7-35, BC48, and IG20 - Disclose more if period end information is unrepresentative of entity's exposure during the period	No change from existing guidance	IFRS doesn't specifically require presentation of average (or maximum) amounts unless the period end balances are not representative of activity during the period.
B. Average earning assets and liabilities, interest earned and paid, and average rate	See response to A. in line above	No change from existing guidance	IFRS doesn't specifically require presentation of average (or maximum) amounts unless the period end balances are not representative of activity during the period.
C. Dollar change and rate/volume change in interest earning assets and liabilities	Not required	Not required	Unique disclosures required by Guide 3
II. Investment Portfolio			
A. Book value of investments by category	IFRS 7 - 6, Appendix B3 & B8, IG 18 – Requires disclosure of financial instruments by class	No change from existing guidance	IFRS calls for disclosure of financial instruments by class, which requires judgment by management on how these are grouped and present. There are no prescriptive categories to disclose.

Appendix B: Analysis of Disclosure Requirements among Guide 3 and IFRS

Guide 3	Existing IFRS	Issued but not yet effective IFRS	Observations
B. Range of maturities and weighted average yields	No specific requirement IFRS 7 - 39-41 and BC58D – Requires disclosure if needed to evaluate the nature and extent of liquidity risk	No change from existing guidance	IFRS doesn't require disclosure of financial asset maturities unless such disclosure is needed to present a fulsome disclosure of liquidity risk.
C. Investments exceeding 10% of stockholder's equity	No specific requirement IFRS 34(c), B8, and IG18 - Concentration of risk from financial instruments	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, any significant concentration risk (and by class of financial instrument) should be disclosed within IFRS financial statements. Also, IFRS 7-34 (a) requires disclosure of risks based on information provided internally to management.
III. Loan Portfolio			
A. Types of Loans	IFRS 7 - 6, Appendix B3 & B8, IG 18 – Requires disclosure of financial instruments by class	No change from existing guidance	IFRS calls for disclosure of financial instruments by class, which requires judgment by management on how these are grouped and present. There are no prescriptive categories to disclose.
B. Maturities and Sensitivities of Loans to Changes in Interest Rates	IFRS 7 - BC58D – Requires disclosure if needed to evaluate the nature and extent of liquidity risk	No change from existing guidance	IFRS doesn't require disclosure of financial asset maturities unless such disclosure is needed to present a fulsome disclosure of liquidity risk.
C. Risk Elements 1. Nonaccrual, Past Due and Restructured Loans - Accruing loans past due 90 days or more - TDRs - Policy for placing loans on nonaccrual	IFRS 7-37: Analysis of age of past due and impaired assets No concept of nonaccrual loans or TDRs under IFRS No requirement to disclose renegotiated loans - see IFRS 7-BC54A	IFRS 9 - 35J - Carrying amount of modified financial assets	IFRS and US GAAP differ in the treatment and presentation of past due and nonaccrual/impaired loans. The objective of the disclosure framework under IFRS is generally consistent with the Guide 3 instruction for this item.
2. Potential Problem Loans	IFRS 7-37: Requires analysis of age of past due and impaired assets	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, the objective of the disclosure framework under IFRS is generally consistent with the Guide 3 instruction for this item.

Appendix B: Analysis of Disclosure Requirements among Guide 3 and IFRS

Guide 3	Existing IFRS	Issued but not yet effective IFRS	Observations
3. Foreign Outstandings	No specific requirement IFRS 34(c), B8, and IG18 - Concentration of risk from financial instruments	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, any significant concentration risk (and by class of financial instrument) should be disclosed within IFRS financial statements.
4. Loan Concentrations - exceeding 10% of total loans	No specific requirement, however, IFRS 7-34 (a) – requires disclosure of risks based on information provided internally to management IFRS 34(c), B8, and IG18 - Concentration of risk from financial instruments	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, any significant concentration risk (and by class of financial instrument) should be disclosed within IFRS financial statements.
D. Other Interest Bearing Assets	IFRS 7-37: Analysis of age of past due and impaired assets	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, the objective of the disclosure framework under IFRS is generally consistent with the Guide 3 instruction for this item.
IV. Summary of Loan Loss Experience			
A. Analysis of ALLL (roll forward)	IFRS 7-16: Requires reconciliation of changes in credit loss account	IFRS 9 - 35H – Requires reconciliation of changes in expected credit losses by class of instrument	IFRS addresses the objective of the Guide 3 requirements.
B. ALLL by portfolio	No specific requirement	IFRS 9 - 35H – Requires reconciliation of changes in expected credit losses by class of instrument	Issued but not yet effective IFRS addresses the objective of the Guide 3 requirements.
V. Deposits			
A-C. Average amount and rates of deposits by type as well as deposits by foreign depositors	No specific requirement IFRS 7-35, BC48, and IG20 – Requires disclosure of more information if period end information is unrepresentative of entity's exposure during the period	No change from existing guidance	IFRS doesn't specifically require presentation of average (or maximum) amounts unless the period end balances are not representative of activity during the period. Also, IFRS 7-34 (a) requires disclosure of risks based on information provided internally to management.

Appendix B: Analysis of Disclosure Requirements among Guide 3 and IFRS

Guide 3	Existing IFRS	Issued but not yet effective IFRS	Observations
D. Deposits over \$100,000 by maturity	IFRS 7-39 and B11 - Maturity analysis of financial liabilities IFRS 34(c), B8, and IG18 - Concentration of risk from financial instruments	No change from existing guidance	There is no such specific disclosure requirement under IFRS. However, the objective of the disclosure framework under IFRS is generally consistent with the Guide 3 instruction for this item.
E. Foreign deposits greater than \$100,000	No specific requirement IFRS 34(c), B8, and IG18 - Concentration of risk from financial instruments	No change from existing guidance	Unique disclosures required by Guide 3
VI. Return on Equity and Assets			
Return on assets and equity, dividend payout ratio and equity to assets ratio	No specific requirement IAS 1:134-135 – Requires disclosure of how the entity manages its capital	No change from existing guidance	Unique disclosures required by Guide 3
VII. Short-Term Borrowings			
1. Amount outstanding, weighted average interest rate, and general terms	No specific requirement	Not required	There is no such specific disclosure requirement under IFRS for average interest rates.
2 and 3. Maximum and average amount outstanding at any month end	No specific requirement IFRS 7-35, BC48, and IG20 - Disclose more if period end information is unrepresentative of entity's exposure during the period	No change from existing guidance	IFRS doesn't specifically require presentation of average (or maximum) amounts unless the period end balances are not representative of activity during the period.