



October 11, 2013

Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency

RE: Request for Comment on Information Collection Proposal [ICP-201318]
OMB control number: 7100-0128

Dear Ladies and Gentlemen:

We appreciate the opportunity to comment on the Information Collection Proposal to revise, without extension, the Consolidated Financial Statements for Holding Companies (FR Y-9C) and the Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP).

We would like to comment on the proposed FR-Y-9C instructions for HC-R, Part I.B line 10(b) "All other deductions from (additions to) common equity tier 1 capital" specifically as it relates to the deduction labeled item (5) "equity investments in financial subsidiaries". The proposed instructions for the FR Y-9C for this item are almost identical to those for the FFIEC 031 and 041 Call Report. This seems to imply that the requirement to deduct the equity investments in financial subsidiaries is applicable at the consolidated bank holding company level in the same way that it is required at the depository institution level. This is not consistent with our understanding of the final rule implementing Basel III (Docket # R-1442) issued in July 2013. The final rule states:

"Under the final rule, a depository institution must deduct the aggregate amount of its outstanding equity investment in a financial subsidiary, including the retained earnings of a subsidiary from common equity tier 1 capital elements, and the assets and liabilities of the subsidiary may not be consolidated with those of the parent bank."

Based on this statement, it is our understanding that the requirement to deduct the investments in financial subsidiaries would continue to be applicable only to national banks and state member banks as it is today, but that it would not be required when reporting at the consolidated bank holding company level. This would be consistent with way the deduction for financial subsidiaries is reported today – adjustments for financial subsidiaries are reported on the Call Report but not on the FR Y-9C.

We would like to ask for clarification on the required deduction for investments in financial subsidiaries from common equity Tier 1 and confirmation that it was not the intention for this deduction to be applicable at the consolidated holding company level. Once again, we appreciate the opportunity to share our comments and questions.

Best regards,

A handwritten signature in black ink that appears to read "Janet E. Denkler".

Janet E. Denkler
V.P. and Assistant Treasurer
First Horizon National Corporation

First Horizon National Corporation
165 Madison Avenue, Memphis, TN 38103