

**FEDERAL RESERVE BANK OF DALLAS**

**DALLAS, TEXAS 75222**

**Circular No. 80-56  
March 21, 1980**

**TO MEMBER BANKS, EDGE ACT AND  
AGREEMENT CORPORATIONS FILING  
A WEEKLY REPORT OF MANAGED LIABILITIES:**

The Board of Governors has amended Regulation D to increase the marginal reserve requirement on the amount by which the total of certain managed liabilities of member banks (and Edge and Agreement Corporations) and United States branches and agencies of foreign banks exceeds the amount of an institution's base of managed liabilities. The new marginal reserve requirement ratio is 10 percent. The Board also amended Regulation D to reduce an institution's managed liabilities base by the greater of 7 percent or the amount of decrease in an institution's daily average gross foreign loans between the base period (September 13-26, 1979) and the statement week ending March 12, 1980. In the future, an institution's base will be reduced further after March 12, 1980, by the amount by which it decreases its daily average gross foreign loans during a statement week. However, the base of an institution that was a net borrower of managed liabilities during the base period (September 13-26, 1979) will not be reduced below \$100 million.

Enclosed are forms and instructions for your use in complying with these changes. Member banks will continue to report weekly managed liabilities on form FR 2414c.

Form FR 2414z is to be used for reporting gross foreign loans during September 13-26, 1979 and March 6-12, 1980 in order to establish the new managed liabilities base. This report is due March 25, 1980.

Form FR 2414d is a weekly supplement indicating weekly gross foreign loan balances to be used to reduce the managed liabilities base by the amount of foreign loan reductions. The form will be filed with Form 2414c beginning with the statement week of March 20-26, 1980.

The first period during which the additional required reserves are to be held is April 3-9, 1980. For additional information or assistance, please contact:

Dallas      Bill Green, Manager, Statistical Dept., Ext. 6394

Supplementary Information for Calculation of the  
Managed Liabilities Base for Marginal Reserve Requirements

This report is required by law [12 U.S.C. § 248(a)].

The Federal Reserve System regards the information provided by each respondent as confidential. If it should be determined subsequently that any information collected on this form must be released, respondents will be notified.

If your managed liabilities base for the calculation of marginal reserve requirements is \$100 million or less, you need not complete this supplement. Rather, please check this box, sign below, and return this report to the Federal Reserve Bank designated below. ☐

SECTION I PLEASE READ INSTRUCTIONS PRIOR TO COMPLETING THIS REPORT

Date				Gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions	
Day of Week	Month	Day	Year	Col. 1	
				Mils.	Thous.
Thurs.	Sept.	13	1979		
Fri.	Sept.	14	1979		
Sat.	Sept.	15	1979		
Sun.	Sept.	16	1979		
Mon.	Sept.	17	1979		
Tues.	Sept.	18	1979		
Wed.	Sept.	19	1979		
Thurs.	Sept.	20	1979		
Fri.	Sept.	21	1979		
Sat.	Sept.	22	1979		
Sun.	Sept.	23	1979		
Mon.	Sept.	24	1979		
Tues.	Sept.	25	1979		
Wed.	Sept.	26	1979		
TOTAL					
DAILY AVERAGE					

Date				Gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions	
Day of Week	Month	Day	Year	Col. 2	
				Mils.	Thous.
Thurs.	Mar.	6	1980		
Fri.	Mar.	7	1980		
Sat.	Mar.	8	1980		
Sun.	Mar.	9	1980		
Mon.	Mar.	10	1980		
Tues.	Mar.	11	1980		
Wed.	Mar.	12	1980		
TOTAL					
DAILY AVERAGE					

SECTION II

1. Managed liabilities base for marginal reserve requirements as of two-week period September 13-26, 1979 (from Line 3 of FR 2413y or 2414y, as appropriate) . . . . .
2. 93 percent of Line 1 (if less than \$100 million, enter \$100 million) . . . . .
3. Daily average of gross loans to non-U.S. residents and balances due from non-U.S. offices of other institutions for two-week period September 13-26, 1979 (from Section I, Column 1 above) . . . . .
4. Daily average of gross loans to non-U.S. residents and balances due from non-U.S. offices of other institutions for one-week period March 6-12, 1980 (from Section I, Column 2 above) . . . . .
5. Decrease in daily average of gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions between the periods September 13-26, 1979 and March 6-12, 1980 (Line 3 minus Line 4; if negative, enter zero) . . . . .
6. Line 1 minus Line 5 (if less than \$100 million, enter \$100 million). . . . .
7. Adjusted managed liabilities base for marginal reserve requirements (enter the amount on Line 2 or Line 6, whichever is *smaller*) . . . . .

Mils.	Thous.

The adjusted managed liabilities base shown in Line 7 will be further reduced by the amount by which the bank's lowest daily average of gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions outstanding during any computation week beginning March 20, 1980 or thereafter is lower than the daily average amount of such loans and balances outstanding during the period of March 6-12, 1980 (as reported in Section I). In no instance, however, will the base be reduced to less than \$100 million by such decreases. The adjusted managed liabilities base that is reported in Line 7 above and the daily

average amount of gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions for the week of March 6-12, 1980 that is reported in Line 4 above will be required for the calculation of any further reduction in the adjusted managed liabilities base for all reserve computation periods beginning March 20, 1980 and thereafter, and must be carried forward to subsequent *Supplements to the Reports of Managed Liabilities for Marginal Reserve Requirements* (FR 2414d).

I certify that the information shown on this report is correct.

Authorized Signature

Title

Area Code and Telephone Number

Name and Address of Reporting Institution

RETURN BY MARCH 25, 1980 TO

☐ Statistical Department, Federal Reserve Bank of Dallas, Station K, Dallas, Texas 75222

☐ Accounting Department, Federal Reserve Bank Branch, El Paso, Texas 79999

☐ Accounting Department, Federal Reserve Bank Branch, Houston, Texas 77001

☐ Accounting Department, Federal Reserve Bank Branch, San Antonio, Texas 78295

Houston      Rodney Franklin, Manager, Accounting Department  
(713) 659-4433, Ext. 50

San Antonio Leonard Briggs, Manager, Accounting Department  
(512) 224-2141, Ext. 20

El Paso      Larry Wilson, Manager, Accounting Department  
(915) 544-4730, Ext. 210

Sincerely yours,

Robert H. Boykin

First Vice President

Enclosures

INSTRUCTIONS FOR SUPPLEMENTARY INFORMATION FOR CALCULATION OF THE MANAGED  
LIABILITIES BASE FOR MARGINAL RESERVE REQUIREMENTS

Who must report. This report is required from each of the following institutions whose managed liabilities base for the calculation of marginal reserve requirements is greater than \$100 million:

1. member banks;
2. Edge Act or Agreement Corporations engaged in the banking business;
3. families of U.S. branches and agencies of a bank organized under foreign (non-U.S.) law that have consolidated worldwide banking assets of more than \$1 billion (U.S. dollars). For purposes of this report, a foreign (non-U.S.) bank family is defined to be all U.S. branches and agencies of the foreign parent bank and of its majority-owned foreign banking subsidiaries.

Purpose of the report. This report will be used to adjust the managed liabilities base for the calculation of marginal reserve requirements as previously established during the two-week period of September 13-26, 1979. The Federal Reserve Board has acted to reduce the amount of an institution's managed liabilities base by the greater of (1) 7 percent of the current base, or (2) the amount of decrease in the institution's daily average gross loans to non-United States residents and gross balances due from non-U.S. offices of other institutions between the September 13-26, 1979 base period and the statement week ended March 12, 1980.

This report will establish a reduced base amount of managed liabilities for all institutions whose previous base amount was greater than \$100 million. In no instance will the base amount for any of these institutions be reduced to less than \$100 million. The revised base amount of managed liabilities will become effective with the reserve computation period beginning March 20, 1980. The amount of the adjusted managed liabilities base, as established on this report, will be further reduced by the amount by which the reporting institution's lowest daily average of gross loans to non-U.S. residents and gross balances due non-U.S. offices of other institutions outstanding during any computation week beginning March 20, 1980 or thereafter is lower than the daily average amount of such loans and balances outstanding during the period of March 6-12, 1980 (as reported on this report). Increases in such loans and balances will have no effect on an institution's managed liabilities base.

How to report. All amounts should be reported to the nearest thousand dollars as of the close of business each day. For any day in which the reporting institution was closed, report the closing balances of the preceding day.

Amounts denominated in foreign currencies should be initially valued in U.S. dollars at the prevailing exchange rate at the time the transaction originally occurs and should be periodically revalued on a consistent basis.

Consolidation. The consolidation method is identical to that used for the Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c or FR 2414c, as appropriate).

General definitions. For purposes of this report, the following terms are defined as follows:

U.S.: The 50 states of the United States and the District of Columbia.

Non-U.S. (foreign): Any geographic area located outside the 50 states of the United States and the District of Columbia. Thus, for purposes of this report, non-U.S. includes Puerto Rico and U.S. territories and possessions.

For additional definitions, refer to the instructions for completing the Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c or FR 2414c) or Federal Reserve Board Regulation D (12 C.F.R. 204).

#### ITEM DEFINITIONS

Columns 1 and 2: Gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions. Report in these columns the amount outstanding on each day covered by this report of gross loans to non-United States residents and gross balances due from non-U.S. offices of other institutions. For purposes of this report, a non-U.S. resident is defined to include:

1. any individual residing (at the time the credit is extended) outside the 50 states of the United States or the District of Columbia;
2. any corporation, partnership, association or other entity organized outside the 50 states of the United States or the District of Columbia; and
3. any branch of office of any other entity, wherever organized, that is located outside the 50 states of the United States or the District of Columbia.

Credit extended to a U.S. branch, office, subsidiary, affiliate or other U.S. establishment controlled by one or more non-U.S. corporations will not be deemed to be credit extended to non-U.S. residents if the proceeds will be used in its U.S. business or that of other U.S. affiliates of the controlling non-U.S. corporations.

Foreign offices of other institutions includes the following:

1. any banking office of a bank organized under domestic or foreign law that is located outside the 50 states of the United States and the District of Columbia;
2. Foreign national governments (including agencies and instrumentalities thereof, such as foreign central banks, exchange stabilization funds, monetary agencies and currency boards) that perform functions similar to those performed by the Federal government of the U.S. (but not state, provincial, or other regional governmental entities); and
3. any international organization of which the United States is a member (such as the International Bank for Reconstruction and Development (World Bank), International Monetary Fund, and the Inter-American Development Bank), and other foreign, international, or supranational entities exempt from interest rate limitations under Regulation Q (12 C.F.R. 217.3(g)(3)).

For purposes of this report, gross loans to non-U.S. residents includes all credit extended directly to non-U.S. residents by U.S. offices of a reporting member bank, Edge Act or Agreement Corporation, or a foreign bank family member. Gross balances due from foreign offices of other institutions may arise from the following:

1. funds placed on deposit at any covered non-U.S. entity, whether payable on demand or at the expiration of a specified maturity;
2. funds advanced by the reporting institution that result in a claim against any covered non-U.S. entity;
3. sales of assets (including sales of participations in assets) to any covered non-U.S. entity;
4. purchases of assets under agreements to resell from any covered non-U.S. entity;
5. overdrawn balances in deposit accounts held by the reporting institution for any covered non-U.S. entity; and
6. other claims on any covered non-U.S. entity, such as those resulting from clearing activities, foreign exchange transactions, bankers acceptance transactions, and other activities.

Member banks and Edge Act or Agreement Corporations should EXCLUDE loans to and balances due from own non-U.S. branches which are reported in Column 8 of the Member Bank Report of Managed Liabilities for Marginal Reserve Requirements (FR 2414c). Families of U.S. branches and agencies of foreign non-U.S. affiliates which are reported in Column 8 of the Agency and Branch Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c).



Supplement to the Report of  
Managed Liabilities for Marginal Reserve Requirements

For Week Ended \_\_\_\_\_, 19\_\_\_\_

This report is required by law [12 U.S.C. §248(a)].

The Federal Reserve System regards the individual bank information provided by each respondent as confidential. If it should be determined subsequently that any information collected on this form must be released, respondents will be notified.

If your managed liabilities base for the calculation of marginal reserve requirements is \$100 million or less, you need not complete this supplement. Rather, please check this box, sign below, and return this report to the Federal Reserve Bank designated below ☐

PLEASE READ INSTRUCTIONS PRIOR TO COMPLETING THIS REPORT

Date			Gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions	
Day of Week	Month	Day	Column I	
			Mils.	Thous.
Thurs.				
Fri.				
Sat.				
Sun.				
Mon.				
Tues.				
Wed.				
TOTAL				
DAILY AVERAGE				

	Mils.	Thous.
1. Adjusted managed liabilities base for marginal reserve requirements (as calculated for the period March 6-12, 1980 and reported on Line 7 of the FR 2414 z) .....		
2. Daily average of gross loans to non-U.S. residents and balances due from non-U.S. offices of other institutions for the period March 6-12, 1980 (as reported on Line 4 of the FR 2414z) .....		
3. Daily average of gross loans to non-U.S. residents and balances due from non-U.S. offices of other institutions for the current computation week (from Column I above). .....		
4. Line 2 minus Line 3 (if negative, enter zero). .....		
5. Amount on line 4 rounded down to largest, lower multiple of \$2 million (for example, if the entry on Line 4 was \$53,525, Line 5 would be \$52,000) .....		
6. Line 1 minus Line 5 (if less than \$100 million, enter \$100 million). .....		
7. Managed liabilities base for previous computation week (from Line 8 of previous week's supplemental report) .....		
8. Managed liabilities base for the current computation week (enter the amount on Line 6 or Line 7, whichever is smaller) .....		

I certify that the information shown on this supplement is correct.

Authorized Signature \_\_\_\_\_ Title \_\_\_\_\_

Area Code and Telephone Number \_\_\_\_\_

Name and Address of Reporting Institution \_\_\_\_\_

RETURN BY THE THURSDAY FOLLOWING THE REPORTING DATE TO:

- ☐ Statistical Department, Federal Reserve Bank of Dallas, Station K, Dallas, Texas 75222
- ☐ Accounting Department, Federal Reserve Bank Branch, El Paso, Texas 79999
- ☐ Accounting Department, Federal Reserve Bank Branch, Houston, Texas 77001
- ☐ Accounting Department, Federal Reserve Bank Branch, San Antonio, Texas 78295

INSTRUCTIONS FOR THE SUPPLEMENT TO THE REPORT OF MANAGED LIABILITIES  
FOR MARGINAL RESERVE REQUIREMENTS

Who must report. This report is required from each of the following institutions whose managed liabilities base for the calculation of marginal reserve requirements is greater than \$100 million:

1. member banks;
2. Edge Act or Agreement Corporations engaged in the banking business;
3. families of U.S. branches and agencies of a bank organized under foreign (non-U.S.) law that have consolidated worldwide banking assets of more than \$1 billion (U.S. dollars). For purposes of this report, a foreign (non-U.S.) bank family is defined to be all U.S. branches and agencies of the foreign parent bank and of its majority-owned foreign banking subsidiaries.

Purpose of the report. This report will be used to adjust the managed liabilities base for the calculation of marginal reserve requirements by the amount by which the reporting institution's lowest daily average of gross loans to non-United States residents and gross balances due from non-U.S. offices of other institutions outstanding during any computation week beginning March 20, 1980 or thereafter is lower than the daily average amount of such loans and balances outstanding during the period of March 6-12, 1980. Increases in such loans and balances will have no effect on an institution's managed liabilities base.

This report must be filed only by covered institutions that have a managed liabilities base in excess of \$100 million. In no instance will the downward adjustment in the managed liabilities base reduce the base to an amount less than \$100 million.

How to report. All amounts should be reported to the nearest thousand dollars as of the close of business each day. For any day in which the reporting institution was closed, report the closing balances of the preceding day.

Amounts ~~denominated in foreign currencies should be initially valued~~ in U.S. dollars at the prevailing exchange rate at the time the transaction originally occurs and should be periodically revalued on a consistent basis.

Consolidation. The consolidation method is identical to that used for the Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c or FR 2414c, as appropriate).



General definitions. For purposes of this report, the following terms are defined as follows:

U.S.: The 50 states of the United States and the District of Columbia.

Non-U.S. (foreign): Any geographic area located outside the 50 states of the United States and the District of Columbia. Thus, for purposes of this report, non-U.S. includes Puerto Rico and U.S. territories and possessions.

For additional definitions, refer to the instructions for completing the Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c or FR 2414c) or Federal Reserve Board Regulation D (12 C.F.R. 204).

#### ITEM DEFINITIONS

Columns 1: Gross loans to non-U.S. residents and gross balances due from non-U.S. offices of other institutions. Report in this column the amount outstanding on each day covered by this report of gross loans to non-United States residents and gross balances due from non-U.S. offices of other institutions. For purposes of this report, a non-U.S. resident is defined to include:

1. any individual residing (at the time the credit is extended) outside the 50 states of the United States or the District of Columbia;
2. any corporation, partnership, association or other entity organized outside the 50 states of the United States or the District of Columbia; and
3. any branch or office of any other entity, wherever organized, that is located outside the 50 states of the United States or the District of Columbia.

Credit extended to a U.S. branch, office, subsidiary, affiliate or other U.S. establishment controlled by one or more non-U.S. corporations will not be deemed to be credit extended to non-U.S. residents if the proceeds will be used in its U.S. business or that of other U.S. affiliates of the controlling non-U.S. corporation.

Foreign offices of other institutions includes the following:

1. any banking office of a bank organized under domestic or foreign law that is located outside the 50 states of the United States and the District of Columbia;
2. foreign national governments (including agencies and instrumentalities thereof, such as foreign central banks, exchange stabilization funds, monetary agencies and currency boards) that perform functions similar to those performed by the Federal government of the U.S. (but not state, provincial, or other regional governmental entities); and

3. any international organization of which the United States is a member (such as the International Bank for Reconstruction and Development (World Bank), International Monetary Fund, and the Inter-American Development Bank), and other foreign, international or supranational entities exempt from interest rate limitations under Regulation Q [12 C.F.R. 217.3(g)(3)].

For purposes of this report, gross loans to non-U.S. residents includes all credit extended directly to non-U.S. residents by U.S. offices of a reporting member bank, Edge Act or Agreement Corporation, or a foreign bank family member. Gross balances due from foreign offices of other institutions may arise from the following:

1. funds placed on deposit at any covered non-U.S. entity, whether payable on demand or at the expiration of a specified maturity;
2. funds advanced by the reporting institution that result in a claim against any covered non-U.S. entity;
3. sales of assets (including sales of participations in assets) to any covered non-U.S. entity;
4. purchases of assets under agreements to resell from any covered non-U.S. entity;
5. overdrawn balances in deposit accounts held by the reporting institution for any covered non-U.S. entity; and
6. other claims on any covered non-U.S. entity, such as those resulting from clearing activities, foreign exchange transactions, bankers acceptance transactions, and other activities.

Member banks and Edge Act or Agreement Corporations should EXCLUDE loans to and balances due from own non-U.S. branches which are reported in Column 8 of the Member Bank Report of Managed Liabilities for Marginal Reserve Requirements (FR 2414c). Families of U.S. branches and agencies of foreign banks should EXCLUDE loans to and balances due from parent and other designated non-U.S. affiliates which are reported in Column 8 of the Agency and Branch Report of Managed Liabilities for Marginal Reserve Requirements (FR 2413c).