

# FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 80-68  
April 4, 1980

## TO INSTITUTIONS SUBJECT TO SPECIAL DEPOSIT REQUIREMENTS FOR MANAGED CREDITORS:

Pursuant to the Credit Control Act (12 U.S.C. §§ 1901-1909) as implemented by Executive Order 12201, the Board has adopted provisions requiring money market funds and other similar creditors to maintain a special non-interest bearing deposit with the Federal Reserve equal to 15 percent of the amount by which the investment assets of these creditors exceeds their investment assets on March 14, 1980. Special non-interest bearing deposits shall be maintained at the Federal Reserve Bank of the district in which the creditor maintains its principal place of business. The purpose of this action is to control inflation by limiting the expansion of short-term credit offered by such financial intermediaries.

Enclosed are forms and instructions for your use in complying with these provisions.

Form FR 2063b is to establish the base amount of covered credit. It is due by April 8, 1980.

Form FR 2063a is a weekly report to determine funds subject to the special deposit requirement. Reports for the periods beginning March 17, March 24, and March 31, 1980 should be submitted by April 10, 1980. Subsequent weekly reports are due on the first Wednesday following the computation week.

Special deposits required for the reporting periods March 17, March 24, and March 31, 1980 will be maintained during the period beginning April 14, 1980. Thereafter, each institution will hold the special deposit required for the reporting period ending eight days prior to the beginning of the current deposit maintenance period.

Questions concerning these forms should be directed to Bill Green in our Statistical Department, Ext. 6394.

Sincerely yours,

Robert H. Boykin

First Vice President

Enclosures

Instructions for the Base Report for the Calculation  
of Special Deposit Requirements for Managed Creditors

Who must report. This report is required from managed creditors consisting of money market funds (excluding unit investment trusts) and certain common trust funds of banks that invest in short-term assets (short-term investment funds). [See 12 CFR 229.11-.15.] These financial intermediaries accept funds from investors and extend credit primarily through purchasing money market instruments with maturities of 13 months or less, such as domestic and Eurodollar certificates of deposit, U.S. Treasury or other governmental agency obligations, repurchase agreements, commercial paper, and state and local obligations.

A managed creditor will be covered if its investment portfolio primarily consists of short-term securities, deposits, or other instruments with original or remaining maturities of 13 months or less through which it extends credit to banks; federal, state or local governmental units or agencies thereof; any corporation, partnership or other business entity; or any person. Managed creditors include both open and closed-end management companies. A series of shares of a registered investment company (excluding unit investment trusts) is a managed creditor if the investment assets which are included in the valuation of the shares or units in the series primarily have maturities of 13 months or less. Common trust funds of banks and trust companies are also included unless all moneys contributed to them are held by the bank or trust company incidentally to the management of other trust assets. Collective investment funds consisting entirely of funds for retirement, pension, or other similar purposes need not report.

"Covered credit" is defined as any extension of credit originated through the acquisition of a security, deposit, or other instrument, including but not limited to domestic and Eurodollar certificates of deposit, U.S. Treasury bills, repurchase agreements, commercial paper, bankers acceptances, and state and local government obligations, and any interest accrued thereon. Covered credit excludes, however, the amount of such extensions of credit representing shares or other interests in the managed creditor held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested therein would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus, or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. Covered credit also excludes the tax-exempt extensions of credit of a covered creditor whose stated investment objective is to invest 80 percent or more of its assets in obligations of state and local governments and agencies and subdivisions thereof, the income from which is exempt from Federal income taxation.

A managed creditor holding covered credit on on March 14, 1980, shall file a base report for that date by April 8, 1980. A creditor that acquires or holds assets or trust moneys that cause it to become a managed creditor after March 14, 1980 shall file a base report within one week after

it becomes a managed creditor. A managed creditor that holds no covered credit is not required to file reports. The base report will state the amount of the creditor's covered credit held as of March 14, 1980, whether or not it was a managed creditor at that time. (See Consolidation.) If the managed creditor was not in existence on March 14, 1980, a base report shall be filed indicating a base amount of zero.

In the event of a merger of managed creditors or an acquisition of a managed creditor, a revised base report must be filed by the surviving managed creditor. The base should be calculated by combining the amounts of covered credit extended and of exempt funds of fiduciaries held on March 14, 1980 by the managed creditors involved. The calculations specified on this base report should be made using the combined amounts. If the surviving managed creditor has the investment objective of holding at least 80 percent of its assets in tax-exempt obligations (short-term tax-exempt creditor), the base should be calculated as specified in Section B, using combined amounts from the managed creditors involved. If a managed creditor changes its investment objective to become a short-term tax-exempt creditor, a revised base report must be filed. The revised base will be 20 percent of the base previously calculated for March 14, 1980.

Purpose of the report. This report will be used to establish the base for managed creditors. The report will be followed by a regular weekly report of the daily average of covered credit by each managed creditor. A noninterest-bearing special deposit in collected funds equal to 15 percent of the amount by which the daily average of covered credit for each succeeding reporting period exceeds the base must be held with the Federal Reserve Bank of the District in which the principal office of the managed creditor is located.

The computation period for the calculation of the special deposit to be held by managed creditors is the week beginning on Monday and ending the following Sunday. A special deposit based on the weekly report must be maintained at the Federal Reserve Bank during the second week (Monday through Sunday) following the computation week. For example, for the computation week of April 14-20, 1980, the maintenance week will be April 28 - May 4, 1980.

Maintenance of a special deposit at a Federal Reserve Bank does not entitle managed creditors to Federal Reserve services.

How to report. Report all dollar amounts to the nearest thousand dollars as of the close of business on the base date. 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. For a managed creditor that is a series of shares of a registered investment company (excluding a unit investment trust), reports should be filed and deposits maintained by the registered investment company. The registered investment company must file a single report which consolidates the extensions of covered credit of all of its series that are managed creditors except any series that is a short-term tax-exempt creditor.

The registered investment company must exclude from its consolidated report any series that was not a managed creditor on March 14, 1980 and it must file a separate consolidated report and maintain a separate deposit for all series that are short-term tax-exempt creditors.

If a series that was in existence on March 14 becomes a managed creditor after March 14, the registered investment company must file a base report. If the registered investment company also had other series that were managed creditors on March 14, a consolidated, revised base report should be submitted. The base should be recalculated using the combined amounts of credit extended and of exempt funds of fiduciaries held on March 14, 1980 by all series that were or have become managed creditors. Series that are or become short-term tax-exempt creditors should be aggregated separately according to the procedures described above for managed creditors.

#### ITEM DEFINITIONS

1. Total extensions of credit as of March 14, 1980. This item is defined as the amount of all extensions of credit originated through the acquisition of a security, deposit, or other instrument, including but not limited to domestic and Eurodollar certificates of deposit, U.S. Treasury and other governmental agency obligations, repurchase agreements, commercial paper, bankers acceptances, and state and local government obligations, and interest accrued thereon. This item excludes common stocks, balances held at the Federal Reserve Bank, and currency and coin. For purposes of this report, investment assets should be valued by the same procedures used by a registered investment company to value assets in calculating net share or unit value under the Investment Company Act of 1940 and rules promulgated thereunder.

Section A: 2. Proportion of shares not representing exempt funds of fiduciaries as of March 14, 1980. Report in this item the ratio of the number of shares not representing exempt funds of fiduciaries to the total number of shares outstanding on March 14, 1980. Shares representing exempt funds of fiduciaries are those held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus, or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. If there are no shares outstanding that represent exempt funds of fiduciaries, the ratio reported in this item is 1.00000. If 10 percent of the shares outstanding represent exempt funds of fiduciaries, the ratio reported in this item is 0.90000. Report this ratio to 5 decimal places.

For purposes of this base report, the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980 may be reported on the basis of a good faith estimate prepared according to documented procedures. If subsequent data indicate that a substantial error was made in estimating the base, a revised base report should be submitted. A managed creditor is expected to maintain records of those shares reported as representing exempt funds of fiduciaries outstanding on March 14, 1980. For subsequent weekly

reports, managed creditors are expected to maintain adequate documentation to demonstrate the amount of additional exempt funds of fiduciaries received by the managed creditor and to record any reductions in the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980.

Section A: 3. Base amount of covered credit as of March 14, 1980.

This amount is calculated by multiplying the amount reported in Item 1 OR \$100 million, whichever is larger, by the ratio reported in Item 2.

Section B: 2. Proportion of shares not representing exempt funds of fiduciaries as of March 14, 1980. Report in this item the ratio of the number of shares not representing exempt funds of fiduciaries to the total number of shares outstanding on March 14, 1980. Shares representing exempt funds of fiduciaries are those held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus, or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. If there are no shares outstanding that represent exempt funds of fiduciaries the ratio reported in this item is 1.00000. If 10 percent of the shares outstanding represent exempt funds of fiduciaries, the ratio reported in this item is 0.90000. Report this ratio to 5 decimal places.

For purposes of this base report, the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980 may be reported on the basis of a good faith estimate prepared according to documented procedures. If subsequent data indicate that a substantial error was made in estimating the base, a revised base report should be submitted. A managed creditor is expected to maintain records of those shares reported as representing exempt funds of fiduciaries outstanding on March 14, 1980. For subsequent weekly reports, managed creditors are expected to maintain adequate documentation to demonstrate the amount of additional exempt funds of fiduciaries received by the managed creditor and to record any reductions in the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980.

Section B: 3. Proportion of total extensions of credit representing other than tax-exempt obligations of state and local governments as of March 14, 1980. Report in this item the ratio of extensions of credit other than tax-exempt obligations of state and local governments and agencies and subdivisions thereof to total extensions of credit as of March 14, 1980. Report this ratio to 5 decimal places.

Section B: 4. Base amount of covered credit as of March 14, 1980.

This amount is calculated by multiplying the amount reported in Item 1 OR \$100 million, whichever is larger, first by the ratio reported in Item 2 and then multiplying the resulting product by the ratio reported in Item 3. For example, if Item 1 is 200, Item 2 is 0.75000 and Item 3 is 0.10000, the amount reported in this item would be  $(200 \times 0.75000 \times 0.10000)$  or 15. This amount represents the proportion of nontax-exempt credit extended by the creditor that is not represented by exempt funds of fiduciaries on the base date.

## Report of Covered Credit for the Calculation of Special Deposit Requirements for Managed Creditors

For period ending \_\_\_\_\_, 19\_\_\_\_

This report is required by law (12 U.S.C. §§ 1901-1909, as implemented by Executive Order 12201.)

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.

	Bils.	Mils.	Thous.
1. Daily average amount of outstanding extensions of credit during computation week.....			

SECTION A: To be completed by managed creditors except those whose objective is to invest in short-term tax-exempt obligations.

2. Daily average proportion of shares <u>not</u> representing exempt funds of fiduciaries during computation week (report proportion rounded to 5 decimal places).....	Proportion
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	Bils.	Mils.	Thous.
3. Daily average amount of covered credit during computation week (amount reported in Item 1 multiplied by the proportion reported in Item 2).....			

GO TO SECTION C

SECTION B: To be completed only by managed creditors whose objective is to invest in short-term tax-exempt obligations.

2. a. Daily average proportion of shares <u>not</u> representing exempt funds of fiduciaries during computation week (report proportion rounded to 5 decimal places).....	Proportion
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b. Daily average proportion of total outstanding extensions of credit representing <u>other than</u> tax-exempt obligations of state and local governments during computation week (report proportion rounded to 5 decimal places).....	Proportion
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	Bils.	Mils.	Thous.
3. Daily average amount of covered credit during computation week (amount reported in Item 1 multiplied by the proportion reported in Item 2.a and the proportion reported in Item 2.b).....			

GO TO SECTION C

SECTION C: To be completed by all managed creditors.

4. Base amount of covered credit (as reported on the FR 2063b).....			
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	Bils.	Mils.	Thous.
5. Amount by which the daily average amount of covered credit during the computation week exceeds the base (Item 3 from appropriate Section minus Item 4).....			

If Item 5 is zero or negative, no special deposit is required during the maintenance period. Please sign below and return this form to the designated Federal Reserve Bank.

If Item 5 is greater than zero, a special deposit is required during the maintenance period. Item 6 must be completed for the calculation of the special deposit requirement.

6. 15 percent of Item 5: SPECIAL NONINTEREST-BEARING DEPOSIT REQUIRED TO BE HELD DURING THE MAINTENANCE PERIOD (Note: Report this amount in dollars.).....			
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I certify that the information shown on this report is correct.

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

\_\_\_\_\_  
 Name and Address of Respondent

\_\_\_\_\_  
 Title

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

RETURN BY THE CLOSE OF BUSINESS ON THE WEDNESDAY FOLLOWING THE REPORTING WEEK TO THE FEDERAL RESERVE BANK OF THE DISTRICT IN WHICH YOUR PRINCIPAL OFFICE IS LOCATED.

**PENALTIES.** For each willful violation of 12 C.F.R. 229 Subpart B, the Board may assess against any creditor, or officer, director or employee thereof who willfully participates in the violation, a maximum civil penalty of \$1,000. In addition, a maximum criminal penalty of \$1,000 and imprisonment of up to one year may be imposed for willful violation of this subpart.

Instructions for the Report of Covered Credit for the Calculation  
of Special Deposit Requirements for Managed Creditors

Who must report. This report is required from managed creditors consisting of money market funds (excluding unit investment trusts) and certain common trust funds of banks that invest in short-term assets (short-term investment funds). [See 12 CFR 229.11-.15.] These financial intermediaries accept funds from investors and extend credit primarily through purchasing money market instruments with maturities of 13 months or less, such as domestic and Eurodollar certificates of deposit, U.S. Treasury or other governmental agency obligations, repurchase agreements, commercial paper, and state and local obligations.

A managed creditor will be covered if its investment portfolio primarily consists of short-term securities, deposits, or other instruments with original or remaining maturities of 13 months or less through which it extends credit to banks; federal, state or local governmental units or agencies thereof; any corporation, partnership or other business entity; or any person. Managed creditors include both open and closed-end management companies. A series of shares of a registered investment company (excluding unit investment trusts) is a managed creditor if the investment assets which are included in the valuation of the shares or units in the series primarily have maturities of 13 months or less. Common trust funds of banks and trust companies are also included unless all moneys contributed to them are held by the bank or trust company incidentally to the management of other trust assets. Collective investment funds consisting entirely of funds for retirement, pension, or other similar purposes need not report.

"Covered credit" is defined as any extension of credit originated through the acquisition of a security, deposit, or other instrument, including but not limited to domestic and Eurodollar certificates of deposit, U.S. Treasury bills, repurchase agreements, commercial paper, bankers acceptances, and state and local government obligations, and any interest accrued thereon. Covered credit excludes, however, the amount of such extensions of credit representing shares or other interests in the managed creditor held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested therein would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus, or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. Covered credit also excludes the tax-exempt extensions of credit of a covered creditor whose stated investment objective is to invest 80 percent or more of its assets in obligations of state and local governments and agencies and subdivisions thereof, the income from which is exempt from Federal income taxation.

A creditor that acquires or holds assets or trust moneys that cause it to become a managed creditor after March 14, 1980 shall file a base report (FR 2063b) within one week after it becomes a managed creditor and shall file this weekly report of covered credit thereafter. A managed creditor that holds no covered credit is not required to file reports.

In the event of a merger of managed creditors or an acquisition of a managed creditor, a revised base report (FR 2063b) must be filed by the surviving managed creditor prior to filing this weekly report. All weekly reports for computation periods subsequent to the merger or acquisition should reflect the revised base amount of covered credit calculated on the base report.

Purpose of the report. This report will be used to establish the amount of the special deposit to be held by managed creditors. A noninterest-bearing special deposit in collected funds equal to 15 percent of the amount by which the daily average of covered credit for each reporting period exceeds the base must be held with the Federal Reserve Bank of the District in which the principal office of the managed creditor is located.

The computation period for the calculation of the special deposit to be held by managed creditors is the week beginning on Monday and ending the following Sunday. Reports for the computation periods beginning March 17, March 24, and March 31, 1980 shall be submitted to the Federal Reserve Bank by the close of business on April 10, 1980. Reports for each succeeding period, or in the case of a creditor that becomes a managed creditor after March 14, 1980, for each computation week after it becomes a managed creditor, shall be filed by the close of business on the first Wednesday following the computation week. For example, the report for the computation week of April 7-13, 1980 shall be filed with the Federal Reserve Bank by the close of business on April 16, 1980.

During the seven-day deposit maintenance period beginning April 14, 1980, each managed creditor shall maintain a special deposit equal to the sum of the special deposits required for the reporting periods beginning March 17, March 24, and March 31. During the seven-day deposit maintenance period beginning April 21, 1980, and for each seven-day deposit maintenance period thereafter, each managed creditor shall maintain the special deposit required for the reporting period ending eight days prior to the beginning of the corresponding deposit maintenance period. For example, for the computation week of April 7-13, 1980 the deposit maintenance period will be April 21-27, 1980.

Maintenance of a special deposit at a Federal Reserve Bank does not entitle managed creditors to Federal Reserve services.

How to report. Report all daily averages of dollar amounts to the nearest thousand dollars. The amount of the special deposit must be reported in dollars. 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.



For the computation of daily average amounts, a managed creditor should sum the outstanding amount of the item to be reported as of the close of business on each day of the computation week and divide the sum by 7. For any day on which the managed creditor was closed, repeat the outstanding amounts from the preceding day.

Consolidation. For a managed creditor that is a series of shares of a registered investment company (excluding a unit investment trust), reports should be filed and deposits maintained by the registered investment company. The registered investment company must file a single report which consolidates the extensions of covered credit of all of its series that are managed creditors except any series that is a short-term tax-exempt creditor. The registered investment company must exclude from its consolidated report any series that was not a managed creditor on March 14, 1980 and it must file a separate consolidated report and maintain a separate deposit for all series that are short-term tax-exempt creditors.

If a series that was in existence on March 14 becomes a managed creditor after March 14, the registered investment company must file a base report. If the registered investment company also had other series that were managed creditors on March 14, a consolidated, revised base report should be submitted. All subsequent weekly reports should reflect the revised base amount of covered credit calculated on the base report. Series that are or become short-term tax-exempt creditors should be aggregated separately according to the procedures described above for managed creditors.

#### ITEM DEFINITIONS

1. Daily average amount of outstanding extensions of credit during computation week. This item is defined as the daily average of the amount of all extensions of credit originated through the acquisition of a security, deposit, or other instrument, including but not limited to domestic and Euro-dollar certificates of deposit, U.S. Treasury and other governmental agency obligations, repurchase agreements, commercial paper, bankers acceptances, and state and local government obligations, and interest accrued thereon. This item excludes common stocks, balances held at the Federal Reserve Bank, and currency and coin. For purposes of this report, investment assets should be valued by the same procedures used by a registered investment company to value assets in calculating net share or unit value under the Investment Company Act of 1940 and rules promulgated thereunder.

Section A: 2. Daily average proportion of shares not representing exempt funds of fiduciaries during computation week. Report in this item the daily average of the ratio of the number of shares not representing exempt funds of fiduciaries to the total number of shares outstanding during the computation week. Shares representing exempt funds of fiduciaries are those held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus,

or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. If there are no shares outstanding that represent exempt funds of fiduciaries, the ratio reported in this item is 1.00000. If 10 percent of the shares outstanding represent exempt funds of fiduciaries, the ratio reported in this item is 0.90000. Report this ratio to 5 decimal places.

A managed creditor is expected to maintain records of the shares reported on the base report (FR 2063b) as representing exempt funds of fiduciaries outstanding on March 14, 1980. For the weekly reports, managed creditors are expected to maintain adequate documentation to demonstrate the amount of additional exempt funds of fiduciaries received by the managed creditor and to record any reductions in the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980 that are included in the base report calculation.

Section A: 3. Daily average amount of covered credit during computation week. This amount is calculated by multiplying the amount reported in Item 1 by the ratio reported in Item 2.

Section B: 2. a. Daily average proportion of shares not representing exempt funds of fiduciaries during computation week. Report in this item the daily average of the ratio of the number of shares not representing exempt funds of fiduciaries to the total number of shares outstanding during the computation week. Shares representing exempt funds of fiduciaries are those held (1) by a bank, trust company, or other fiduciary, provided that all moneys invested would be eligible for collective investment by a bank in its capacity as a trustee, executor, administrator, or guardian, and are held incidentally to the management of other trust assets, or (2) by or as agent for the trustee of a retirement, pension, profit sharing, stock bonus, or other trust that is exempt from Federal income taxation under the Internal Revenue Code and whose funds are eligible for collective investment by a bank. If there are no shares outstanding that represent exempt funds of fiduciaries the ratio reported in this item is 1.00000. If 10 percent of the shares outstanding represent exempt funds of fiduciaries, the ratio reported in this item is 0.90000. Report this ratio to 5 decimal places.

A managed creditor is expected to maintain records of the shares reported on the base report (FR 2063b) as representing exempt funds of fiduciaries outstanding on March 14, 1980. For subsequent weekly reports, managed creditors are expected to maintain adequate documentation to demonstrate the amount of additional exempt funds of fiduciaries received by the managed creditor and to record any reductions in the number of shares representing exempt funds of fiduciaries outstanding on March 14, 1980 that are included in the base report calculation.

Section B: 2. b. Daily average proportion of total outstanding extensions of credit other than tax-exempt obligations of state and local governments during computation week. Report in this item the daily average of the ratio of extensions of credit other than tax-exempt obligations of state and local governments and agencies and subdivisions thereof to total extensions of credit during the computation week. Report this ratio to 5 decimal places.

Section B: 3. Daily average amount of covered credit during computation week. This amount is calculated by multiplying the amount reported in Item 1 first by the ratio reported in Item 2.a and then multiplying the resulting product by the ratio reported in Item 2.b. For example, if Item 1 is 200, Item 2.a is 0.75000 and Item 2.b is 0.10000, the amount reported in this item would be  $(200 \times 0.75000 \times 0.10000)$  or 15. This amount represents the proportion of nontax-exempt credit extended by the creditor that is not represented by exempt funds of fiduciaries on the base date.

Section C: 4. Base amount of covered credit. Report in this item the base amount of covered credit as calculated on the base report (FR 2063b).

Section C: 5. Amount by which the daily average amount of covered credit during the computation week exceeds the base. This amount is calculated by subtracting the base amount of covered credit (Section C; Item 4) from the daily average amount of covered credit during the computation week (Section B or C, as appropriate; Item 3). If this amount is zero or negative, no special deposit is required during the maintenance period.

Section C: 6. 15 percent of Item 5: SPECIAL NONINTEREST-BEARING DEPOSIT REQUIRED TO BE HELD DURING THE MAINTENANCE PERIOD. This amount is calculated by multiplying the amount by which the daily average of covered credit during the computation week exceeds the base (Section C; Item 5) by 0.15. If the amount reported in Item 5 is zero or negative, this item need not be completed since no special deposit will be required. Note that this amount must be reported in dollars rather than thousands of dollars.

## Base Report for the Calculation of Special Deposit Requirements for Managed Creditors

This report is required by law (12 U.S.C. §§ 1909-1909, as implemented by Executive Order 12201).

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.

	Bils.	Mils.	Thous.
1. Total extensions of credit as of March 14, 1980.....			

SECTION A: To be completed by managed creditors except those whose objective is to invest in short-term tax-exempt obligations.

2. Proportion of shares <u>not</u> representing exempt funds of fiduciaries as of March 14, 1980 (report proportion rounded to 5 decimal places).....	Proportion		
3. Base amount of covered credit as of March 14, 1980 (amount reported in Item 1 <u>OR</u> \$100 million, whichever is <u>larger</u> , multiplied by the proportion reported in Item 2).....	Bils.	Mils.	Thous.

SECTION B: To be completed only by managed creditors whose objective is to invest in short-term tax-exempt obligations.

2. Proportion of shares <u>not</u> representing exempt funds of fiduciaries as of March 14, 1980 (report proportion rounded to 5 decimal places).....	Proportion		
3. Proportion of total extensions of credit representing <u>other than</u> tax-exempt obligations of state and local governments as of March 14, 1980 (report proportion rounded to 5 decimal places)...	Proportion		
4. Base amount of covered credit as of March 14, 1980 (amount reported in Item 1 <u>OR</u> \$100 million, whichever is <u>larger</u> , multiplied by the proportion reported in Item 2 and the proportion reported in Item 3).....	Bils.	Mils.	Thous.

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

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

\_\_\_\_\_  
 Title

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

\_\_\_\_\_  
 Name and Address of Respondent

\_\_\_\_\_

\_\_\_\_\_

RETURN BY THE CLOSE OF BUSINESS APRIL 8, 1980 TO THE FEDERAL RESERVE BANK OF THE DISTRICT IN WHICH YOUR PRINCIPAL OFFICE IS LOCATED.

**PENALTIES.** For each willful violation of 12 C.F.R. 229 Subpart B, the Board may assess against any creditor, or officer, director or employee thereof who willfully participates in the violation, a maximum civil penalty of \$1,000. In addition, a maximum criminal penalty of \$1,000 and imprisonment of up to one year may be imposed for willful violation of this subpart.