

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045

AREA CODE 212 791-6164

AT 8243

December 23, 1977

POSTPONEMENT OF EFFECTIVE DATE
OF REVISED REPORTS OF CONDITION AND INCOME

To the Chief Executive Officer of Each State Member Bank
in the Second Federal Reserve District:

The Board of Governors of the Federal Reserve System and the other Federal bank regulatory agencies have postponed the effective date of the revised Reports of Condition and Income. Enclosed is a copy of a letter dated December 20, 1977, signed by Chairman Burns to State member banks announcing the postponement.

We will inform you of the new date when it is set by the Board of Governors.

Questions regarding this matter may be directed to Richard A. Nelson, Manager, Banking Studies Department (Tel. No. 212-791-5849).

PAUL A. VOLCKER,
President.



CHAIRMAN OF THE BOARD OF GOVERNORS
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

December 20, 1977

TO THE CHIEF EXECUTIVE OFFICER
OF THE MEMBER BANK ADDRESSED

On October 20, the three Federal banking supervisory agencies issued for comment proposals for revisions in the Reports of Condition and Income. These proposals would affect mainly banks with foreign offices but there were also a number of changes proposed for other banks with more than \$300 million in assets and some relatively minor changes for banks below that size. Under the proposals, the revisions were to be effective with the reports to be filed as of March 31, 1978.

In response to these proposals, banks and others have made a significant number of thoughtful and constructive comments--both on the substance of the changes and on timing and other administrative aspects--that the agencies are now in process of evaluating.

Because of the time needed to give careful consideration to these comments and in response to the frequently expressed request for more adequate lead time for banks to prepare for the revised reporting requirements, the agencies have concluded that the originally proposed March 31 implementation date would be inappropriate and unduly burdensome on banks.

In addition, the Securities and Exchange Commission has recently released for comment a revised version of its proposals for a new Article 9 of its Regulation S-X dealing with financial statements of bank holding companies and banks. The proposed March 31, 1978 implementation date for the banking agencies' revised Condition and Income Reports would not have afforded the agencies opportunity to give adequate attention to SEC's revised proposals.

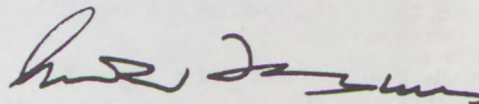
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TO THE CHIEF EXECUTIVE OFFICER
OF THE MEMBER BANK ADDRESSED
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In light of these circumstances, the banking agencies have deferred the date of implementation of the revised Condition and Income Reports. After further consideration of these and other factors affecting the choice of an appropriate date, the agencies will announce in the near future a new date for implementation of the revised reports.

I want to assure you that we greatly appreciate the time and attention that many bankers have devoted to their detailed analyses of the proposed revisions and that we will give all comments received our careful consideration before settling on the final form and contents of the revised reports.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Arthur F. Burns', written in a cursive style.

Arthur F. Burns