

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 8359]  
May 25, 1978]

**REPORTS OF TRANSACTIONS IN FOREIGN EXCHANGE, TRANSFERS  
OF CREDIT, AND EXPORT OF COIN AND CURRENCY**

**Revision of Operating Circular No. 19**

*To All Banks and Banking Institutions in the Second Federal Reserve District, Puerto Rico, the Virgin Islands, and the Panama Canal Zone, and to Brokers, Dealers, and Others Concerned That Are Subject to the Jurisdiction of the United States:*

Enclosed is a copy of Operating Circular No. 19, Revised effective April 30, 1978, entitled "Reports of Transactions in Foreign Exchange, Transfers of Credit, and Export of Coin and Currency." The revised operating circular supersedes the October 17, 1977 edition of the circular and reflects the following major changes:

1. The following new Treasury International Capital forms became effective April 30, 1978:

(a) Monthly BL-1, Reporting Bank's Own Liabilities to "Foreigners" Payable in Dollars.

(b) Monthly BL-1(A), Reporting Bank's Own Liabilities to "Foreigners" Payable in Dollars—short version of Form BL-1 (may be used by banks that have reportable liabilities to foreigners in not more than twenty countries, "other" areas, or international or regional areas listed on Form BL-1).

(c) Monthly BL-2, Custody Liabilities of Reporting Banks, Brokers and Dealers to "Foreigners" Payable in Dollars.

(d) Monthly BL-2(A), Custody Liabilities of Reporting Banks, Brokers and Dealers to "Foreigners" Payable in Dollars—short version of Form BL-2 (may be used by banks, brokers and dealers that have custody liabilities to foreigners in not more than twenty countries, "other" areas, or international or regional areas listed on Form BL-2).

(e) Monthly BC, Reporting Bank's Own Claims on "Foreigners" Payable in Dollars.

(f) Monthly BC(A), Reporting Bank's Own Claims on "Foreigners" Payable in Dollars—short version of Form BC (may be used by banks, brokers and dealers that have claims on foreigners in not more than twenty countries, "other" areas, or international or regional areas listed on Form BC).

(g) Quarterly BQ-1, Claims on "Foreigners" Payable in Dollars. This report will provide maturity breakouts of reporting banks' own claims on foreigners and data on foreign claims of banks' domestic customers.

(h) Quarterly BQ-1(A), Claims on "Foreigners" Payable in Dollars—short version of Form BQ-1 (may be used by banks that have claims on foreigners in not more than twenty countries, "other" areas, or international or regional areas listed on Form BQ-1).

(i) Quarterly BQ-2, Liabilities to and Claims on "Foreigners" Payable in Foreign Currencies. This report will provide data on reporting banks' own claims on foreigners and those of their domestic customers, payable in foreign currencies.

(j) Quarterly BQ-2(A), Liabilities to and Claims on "Foreigners" Payable in Foreign Currencies—short version of Form BQ-2 (may be used by banks that have claims on foreigners in not more than twenty countries, "other" areas, or international or regional areas listed on Form BQ-2).

(k) Semiannual BL-1(SA), Reporting Bank's Own Liabilities to "Foreigners" Payable in Dollars in Countries Not Listed Separately on Form BL-1.

(l) Semiannual BL-2(SA), Custody Liabilities of Reporting Banks, Brokers and Dealers to "Foreigners" Payable in Dollars in Countries Not Listed Separately on Form BL-2.

(m) Semiannual BC(SA), Reporting Bank's Own Claims on "Foreigners" Payable in Dollars in Countries Not Listed Separately on Form BC.

2. The above-listed forms replace the following Treasury International Capital forms:

(a) Monthly B-1, "Short-Term" Liabilities to "Foreigners",

(OVER)



- (b) Monthly B-2, "Short-Term" Claims on "Foreigners",
- (c) Monthly B-3, "Long-Term" Liabilities to, and Claims on, "Foreigners", and
- (d) Semiannual Supplement to Form B-1, "Short-Term" Dollar Liabilities to Countries Not Listed Separately on Form B-1.

3. Instead of reporting on the printed forms, respondents may furnish data on computer printouts in the same format as the prescribed forms.

4. With regard to Treasury International Capital Reports—

(a) An Edge Act or Agreement subsidiary of a United States bank is now required to furnish reports to the Federal Reserve Bank of the District in which it is located. Previously, data for domestic subsidiaries of U.S. banks could be consolidated with the parent banks' data, or could be filed separately either with the Federal Reserve Banks of the Districts in which the subsidiaries were located or with the Federal Reserve Bank of the District in which the parent bank was located.

(b) A bank holding company is now required to furnish separate reports. Previously, a bank holding company was permitted to combine its data with the report of the principal bank which it owned.

(c) Brokers and dealers are now required to report certain types of their own and their custody liabilities to foreigners.

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It is anticipated that the revised Treasury International Capital forms will make the Treasury data more useful to the management of reporting banks as well as to Government agencies and the Federal Reserve System.

There are no changes affecting the Treasury Foreign Currency forms in this revision of Operating Circular No. 19.

Additional copies of the enclosure will be furnished upon request.

PAUL A. VOLCKER,  
*President.*



# FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[ Operating Circular No. 19  
Revised effective April 30, 1978 ]

## REPORTS OF TRANSACTIONS IN FOREIGN EXCHANGE, TRANSFERS OF CREDIT, AND EXPORT OF COIN AND CURRENCY

*To All Banks and Banking Institutions in the Second Federal Reserve District, Puerto Rico, the Virgin Islands, and the Panama Canal Zone, and to Brokers, Dealers, and Others Concerned That Are Subject to the Jurisdiction of the United States:*

This circular contains information on the reports, hereinafter described, to be filed with this Bank (a) by banks and banking institutions within the Second Federal Reserve District, Puerto Rico, the Virgin Islands, and the Panama Canal Zone,<sup>1</sup> and (b) by brokers, dealers, nonbanking business concerns, and nonprofit institutions subject to the jurisdiction of the United States. Part I pertains to the reports to be filed pursuant to the provisions of Executive Order No. 6560, Executive Order No. 10033, and the International Investment Survey Act of 1976. Part II pertains to the reports to be filed pursuant to Title II of Public Law 93-110. Part III sets forth the regulations of the Secretary of the Treasury issued pursuant to Executive Orders Nos. 6560 and 10033, the International Investment Survey Act of 1976, and Title II of Public Law 93-110.

### Requests for report forms and alternative methods of reporting

Requests for the prescribed report forms and for permission to use alternative methods of reporting should be addressed to the International Reports Division of the International Research Department of this Bank.

### Alternative methods of reporting

Data required to be filed with this Bank as prescribed on the forms specified in paragraph 7 of Part I and paragraph 3 of Part II may be reported on computer printouts in the same format as the forms, signed by a responsible officer of the reporting institution; or on punch cards, magnetic tape, or other media that can be processed by data-processing equipment, accompanied by a printed copy or printout of the data reported which must be signed by a responsible officer of the reporting institution. The proposed method and format of reporting must be

<sup>1</sup> In a letter dated February 1, 1954, the Acting Secretary of the Treasury authorized this Bank "to serve as fiscal agent of the United States for the collection of any and all reports required under the Treasury Regulations of April 27, 1949, as amended, from persons in Puerto Rico, the Virgin Islands, and the Panama Canal Zone."



acceptable to, and approved in writing by, this Bank. Application for the use of such alternative reporting methods should be made to the International Reports Division of our International Research Department. The use of such methods shall not affect the timely filing of reports prescribed in paragraph 7 of Part I and paragraph 3 of Part II, nor the exemptions specified in paragraph 9 of Part I and paragraph 5 of Part II.

### **Effect of this circular on previous circular**

This circular supersedes our Operating Circular No. 19, Revised October 17, 1977.

PAUL A. VOLCKER,  
*President.*

## **PART I**

### **TREASURY INTERNATIONAL CAPITAL REPORTS**

#### **Executive Order No. 6560**

1. Executive Order No. 6560, dated January 15, 1934, prohibits, unless licensed or excepted as provided therein, transactions in foreign exchange, transfers of credit, and the export or withdrawal from the United States of coin and currency. Section 5 of the Order authorizes the Secretary of the Treasury to prescribe regulations to carry out the purposes of the Order, and to require any person engaged in any such transaction, transfer, export, or withdrawal, to furnish complete information relative thereto. The text of the Order is published in the Code of Federal Regulations, Volume 31, Part 127.

#### **Executive Order No. 10033 and determinations thereunder**

2. Executive Order No. 10033, dated February 8, 1949, among other things, authorizes (a) the National Advisory Council on International Monetary and Financial Problems<sup>2</sup> to determine what information is essential in order that the United States Government may comply with requests for data received from the International Monetary Fund, and (b) the Director of the Bureau of the Budget<sup>3</sup> to determine what Federal executive agency shall collect such information. The text of the Order is published in the Code of Federal Regulations (3 CFR 1949-1953 Comp., p. 226).

3. The National Advisory Council, on September 7, 1965, made the following determination pursuant to Executive Order No. 10033:

The National Advisory Council, having consulted with the Director of the Bureau of the Budget, determines that current information with respect to international capital movements, derived from data on United States liabilities to and claims on foreigners and transactions in securities with foreigners, and current information with respect to United States gold holdings, foreign-

<sup>2</sup> Name changed, effective January 1, 1966, to "National Advisory Council on International Monetary and Financial Policies."

<sup>3</sup> Name changed, effective July 1, 1970, to "Office of Management and Budget."



currency holdings, and dollar liabilities to foreigners, are essential in order that the United States may comply with official requests of the International Monetary Fund for information with respect to the United States balance of payments and monetary reserves.

4. In a determination dated December 1, 1965, the Director of the Bureau of the Budget, pursuant to Executive Order No. 10033, designated the Department of the Treasury as the Federal executive agency to collect the information found essential by the National Advisory Council (except information relative to direct-investment transactions, United States Government foreign lending operations, and claims and liabilities of United States Government agencies, which information is collected by the Department of Commerce).

### **International Investment Survey Act of 1976**

5. The International Investment Survey Act of 1976, 90 Stat. 2059, 22 U.S.C. 3101 note, provides additional authority for collection of the data pursuant to Title 31, Part 128, Subpart B of the Code of Federal Regulations and modifies the provisions for the disclosure by the Department of the Treasury of such data to other Federal agencies. As a result of the Act, the Department of the Treasury redesignated the Treasury Foreign Exchange reporting system as the Treasury International Capital reporting system to describe more aptly the nature of the data collected. The Treasury Foreign Exchange forms were redesignated as Treasury International Capital forms.

### **Regulations of the Secretary of the Treasury**

6. The regulations of the Secretary of the Treasury issued pursuant to the above-mentioned Executive Orders and the International Investment Survey Act of 1976, and determinations are printed in full in Part III of this circular. To summarize, the regulations:

(a) grant a general license authorizing the transactions prohibited by Executive Order No. 6560;

(b) require (1) all banks and banking institutions subject to the jurisdiction of the United States engaging in any transaction, transfer, export, or withdrawal referred to in Section 1 of that Order to furnish to the Federal Reserve Bank of the District in which such bank or banking institution has its principal place of business in the United States, and (2) all persons subject to the jurisdiction of the United States, other than banks and banking institutions, engaging in such transactions, to furnish to the Federal Reserve Bank of New York;<sup>4</sup>

(i) complete information relative thereto, including information relative to claims and liabilities arising therefrom, and,

(ii) for the purpose of Executive Order No. 10033, the information determined to be essential by the National Advisory Council in order to comply with official requests for data made by the International Monetary Fund,

to such extent and in such manner and at such intervals as is required by report forms and instructions prescribed by the Secretary of the Treasury; and

(c) describe the report forms prescribed by the Secretary for furnishing the information called for by the regulations, specify the persons required to make such reports and the frequency with which such reports are required to be made (paragraph 9 of this Part sets forth certain exemptions from the

<sup>4</sup> If any person required to report has no principal place of business within a Federal Reserve District, the information specified in subparagraph 6(b) of this Part shall be furnished to the Department of the Treasury or to such agency as that Department may designate.



reporting requirements), and permit the use of alternative methods of reporting on media that can be processed by data-processing equipment with the written approval of the Federal Reserve Bank with which the report is filed.

### **When completed reports should be filed with this Bank**

7. The completed reports required to be filed with this Bank should be filed within the following periods:

(a) *Monthly reports on Forms BL-1, BL-1(A), BL-2, BL-2(A), BC and BC(A)*: Not later than the 15th day following the end of the month covered by the reports.

(b) *Quarterly reports on Forms BQ-1, BQ-1(A), BQ-2 and BQ-2(A)*: Not later than the 20th day following the end of each calendar quarter (March, June, September, and December).

(c) *Twice-yearly reports on Forms BL-1(SA), BL-2(SA) and BC(SA)*: Not later than one month following the report dates (June 30 and December 31).

(d) *Quarterly reports on Form C-1/2*: Not later than one month following the end of each calendar quarter (March, June, September, and December).

(e) *Monthly reports on Form C-3*: Not later than the 30th day following the end of the month covered by the report.

(f) *Monthly reports on Form S*: Not later than the 15th day following the end of the month covered by the report.

(g) *Reports on Supplement to Form S*: Not later than the end of the month following the report date (there is no regular report date; reports are requested from time to time by the Department of the Treasury).

(h) *Other reports*: Reports on the forms listed above or on other forms may be required from time to time at intervals other than those stated, and may call for greater detail than is required in the regular reports.

### **Who must report**

8. All banks and banking institutions, brokers and dealers, non-banking business concerns, and nonprofit institutions located in the United States are required to report, except as specified in paragraph 9 of this Part.

(a) Head offices of banks and banking institutions should file, with the Federal Reserve Bank of the District in which such bank or banking institution has its principal place of business, consolidated reports that include the reportable amounts of their branches in the United States. Edge Act or Agreement subsidiaries engaged in banking should file separate reports with the Federal Reserve Bank of the District in which the Edge Act or Agreement subsidiary is located. Bank holding companies should file separate reports, including their financing and nonbanking subsidiaries, with the Federal Reserve Bank of the District in which the holding company is located.

(b) Head offices of brokers or dealers should file, with this Bank, consolidated reports that include the reportable amounts of their branches and subsidiaries in the United States.

(c) Head offices of nonbanking business concerns and nonprofit institutions should file, with this Bank, either consolidated reports that include the reportable amounts of their branches and subsidiaries in the United States, or ensure that amounts not so included are reported separately to this Bank by their domestic branches and subsidiaries.

### **Exemptions from reporting requirements**

9. The Secretary of the Treasury has exempted the persons indicated below from furnishing information on the following prescribed forms:



(a) *Form BL-1/BL-1(A)*: A report as of any one month need not be filed by a bank, banking institution, broker or dealer if the grand total of liabilities payable in dollars to "foreigners" for its own account averaged less than \$2 million in the six months ending with and including the reporting date, computed by averaging the monthly closing balances. *Note*: A bank, banking institution, broker or dealer must file a report on Form BL-1 for the first month-end on which its reportable liabilities to "foreigners" aggregate \$2 million or more, and must continue to report for the five succeeding months, after which the averaging provision will apply.

Banks or banking institutions having branches in the United States may apply the \$2 million exemption limit separately to each branch.

(b) *Form BL-1(SA)*: Banks, banking institutions, brokers and dealers who are exempt from reporting on Form BL-1 are also exempt from reporting on this form. There is no separate exemption level applicable to this form.

(c) *Form BL-2/BL-2(A)*: A report as of any one month need not be filed by a bank, banking institution, broker or dealer if the grand total of "custody" liabilities payable in dollars to "foreigners" averaged less than \$2 million in the six months ending with and including the reporting date, computed by averaging the monthly closing balances. *Note*: A bank, banking institution, broker or dealer must file a report on Form BL-2 for the first month-end on which its reportable custody liabilities to "foreigners" aggregate \$2 million or more, and must continue to report for the five succeeding months, after which the averaging provision will apply.

Banks or banking institutions having branches in the United States may apply the \$2 million exemption limit separately to each branch.

(d) *Form BL-2(SA)*: Banks, banking institutions, brokers and dealers, who are exempt from reporting on Form BL-2 are also exempt from reporting on this form. There is no separate exemption applicable to this form.

(e) *Form BC/BC(A)*: A report as of any one month need not be filed by a bank or banking institution if the grand total of its claims on "foreigners" payable in dollars averaged less than \$2 million in the six months ending with and including the reporting date, computed by averaging the monthly closing balances. *Note*: A bank or banking institution must file a report on Form BC for the first month-end on which its reportable claims on "foreigners" aggregate \$2 million or more, and must continue to report for the five succeeding months, after which the averaging provision will apply.

Banks or banking institutions having branches in the United States may apply the \$2 million exemption limit separately to each branch.

(f) *Form BC(SA)*: Banks and banking institutions who are exempt from reporting on Form BC are also exempt from reporting on this form. There is no separate exemption applicable to this form.

(g) *Form BQ-1/BQ-1(A)*: A report as of any one quarter-end need not be filed by a bank or banking institution that was not required to report on Form BC as of the same quarter-end month.

(h) *Form BQ-2/BQ-2(A)*: A report as of any one quarter-end need not be filed by a bank or banking institution that was not required to report on Form BL-1 or on Form BC as of the same quarter-end month.

(i) *Form C-1/2*: A report with respect to liabilities to "foreigners" (C-1) as of the end of any quarter need not be filed by any "person," otherwise required to report, if the grand total of his liabilities to "foreigners" for his own account and for the account of others averaged less than \$2 million in the quarter ending with the reporting date and the preceding quarter, computed by averaging the closing balances as of the end of the two quarters. Similarly, a report with respect to claims on "foreigners" (C-2) as of the end of any quarter need not be filed by any "person," otherwise required to report, if the grand total of his claims on "foreigners" for his own account and for the account of others averaged less than \$2 million in the quarter ending with the reporting date and the preceding quarter, computed by averaging the closing balances as of the end of the two quarters. These exemptions may be applied separately to each domestic branch and subsidiary.

(j) *Form C-3*: A report for any one month need not be filed by a "person," otherwise required to report, if the grand total of his claims reportable on Form C-3 is less than \$2 million on the reporting date. This exemption may be applied separately to each domestic branch and subsidiary.



(k) *Form S*: A report for any one month need not be filed by a "person," otherwise required to report, if both the grand total of purchases and the grand total of sales of "long-term" securities, for his own account or for the account of others in transactions with "foreigners," amounted to less than \$500,000 during the month under consideration.

## PART II

### TREASURY FOREIGN CURRENCY REPORTS

#### Title II of Public Law 93-110

1. Title II of Public Law 93-110, dated September 21, 1973, amends the Par Value Modification Act and requires the Department of the Treasury to collect statistical reports of the foreign currency transactions of banks and other business concerns in the United States and of foreign branches and majority-owned foreign subsidiaries of U.S. banks and nonbank firms.

#### Regulations of the Secretary of the Treasury

2. The regulations of the Secretary of the Treasury issued pursuant to Title II of Public Law 93-110 are printed in full in Part III of this circular. To summarize, the regulations:

(a) require (1) all banks and banking institutions and all their affiliates, including bank holding companies, subject to the jurisdiction of the United States to furnish to the Federal Reserve Bank of the District in which such bank or banking institution has its principal place of business in the United States, and (2) all persons subject to the jurisdiction of the United States, other than banks, banking institutions and their domestic affiliates, to furnish to the Federal Reserve Bank of New York: complete information relative to their own foreign currency assets, liabilities and positions, and those of their foreign branches and majority-owned subsidiaries, to the extent and in such manner and at such intervals as required by report forms and instructions prescribed by the Secretary of the Treasury; and

(b) describe the report forms prescribed by the Secretary for furnishing the information required by the regulations, and specify the persons required to make such reports and the frequency with which such reports are required to be made (paragraph 5 of this Part sets forth certain exemptions from the reporting requirements).

#### When completed reports should be filed with this Bank

3. The completed reports required to be filed with this Bank should be filed within the following periods:

(a) *Weekly reports on Form FC-1*: Not later than three business days following the Wednesday to which the report applies. (If Wednesday is not a business day, the report should be filed as of the preceding business day.)

(b) *Monthly reports on Form FC-1a*: Not later than the fifteenth day following the last business day of the month to which the report applies.

(c) *Weekly consolidated reports on Form FC-2*: Not later than ten business days following the Wednesday to which the report applies. (If Wednesday is not a business day abroad for any of a bank's reporting branches or subsidiaries, the report should include reportable items for those offices as of the preceding business day.)

(d) *Monthly consolidated reports on Form FC-2a*: Not later than one month following the last business day of the month to which the report applies.

(e) *Monthly consolidated reports on Form FC-3*: Not later than one month following the last calendar day of the month to which the report applies.



(f) *Quarterly consolidated reports on Form FC-4:* Not later than 45 days following the last day of the calendar quarter to which the report applies.

### **Who must report**

4. All banks and banking institutions in the United States, including bank holding companies, and the agencies, branches, and subsidiaries located in the United States of foreign banks and banking institutions; all United States banks and banking institutions, including bank holding companies, that have branches and majority-owned subsidiaries abroad; all United States brokers, dealers, nonbanking business concerns, and nonprofit institutions having 100 or more employees in their domestic operations; and all United States persons having 100 or more employees in their domestic operations, with a controlling interest in a foreign person or persons, are required to report, except as specified in paragraph 5. Bank holding companies that have filed with the Board of Governors of the Federal Reserve System under Section 4(c)(12) of the Bank Holding Company Act an irrevocable declaration that they will cease to be a bank holding company, or have received an exemption under Section 4(d) of that Act, are not required to file the forms required to be filed by banks; such bank holding companies should file instead the forms required to be filed by nonbanking business firms.

(a) Head offices of banks and banking institutions should file with the Federal Reserve Bank of the District in which such bank or banking institution has its principal place of business in the United States. Reports of any such bank having branches in the United States should include the reportable items of all such branches. Reports of banking subsidiaries in the United States, including Edge Act corporations, should be filed separately with the Federal Reserve Bank of the District in which they are located. Reports of domestic nonbanking subsidiaries may be included in reports of head-office banks or may be filed separately.

(b) Head offices of United States banks and banking institutions, including bank holding companies, that have branches or majority-owned subsidiaries located abroad, should file a consolidated report covering the reportable items of all such branches and subsidiaries with the Federal Reserve Bank of the District in which such bank is located. In cases in which the majority ownership is held by more than one United States bank, the bank that holds the largest percentage of the shares held by United States banks should file the reports. If equal shares are held by United States banks, the reports should be filed by one of the United States banks, chosen by agreement among the banks involved.

(c) All United States nonbanking business concerns having 100 or more employees in their domestic operations, including the United States branches and subsidiaries of foreign nonbanking concerns, and nonprofit institutions, should file consolidated reports including their own reportable data and the reportable data of all domestic branches, partnerships and subsidiaries that are normally included in the reporters' consolidated financial statements. United States based nonbanking business concerns having 100 or more employees in their domestic operations should also file consolidated reports of the reportable data of their foreign branches, partnerships and subsidiaries. All such reports should be filed with the Federal Reserve Bank of New York.

### **Exemptions from reporting requirements**

5. The Secretary of the Treasury has exempted the persons indicated below from furnishing information on the prescribed forms. Dollar equivalent values, for purposes of the exemption, are to be calculated using spot exchange rates prevailing as of the close of business on the day to which the report applies.

(a) *Form FC-1:* A weekly report need not be filed if in each of the



specified foreign currencies the U.S. dollar equivalent value of the outstanding amounts of assets other than capital assets, liabilities other than capital liabilities, foreign exchange contracts bought, and foreign exchange contracts sold, each is less than \$10 million. If, however, the U.S. dollar equivalent value of any one of these categories is \$10 million or more in any specified foreign currency, the entire line for each such currency must be reported.

(b) *Form FC-1a*: A report as of any month-end need not be filed if in each of the specified foreign currencies the U.S. dollar equivalent value of each of the entries in the "Total of all maturities" line for assets, liabilities, foreign exchange contracts bought, and foreign exchange contracts sold is less than \$10 million. If, however, the U.S. dollar equivalent value of any of these categories on the "Total of all maturities" line is \$10 million or more in any specified foreign currency, the entire maturity schedule and the "Capital assets and liabilities" line for each such currency must be reported. *Exception*: Each bank or banking institution which reports on Form FC-1 as of any Wednesday in a month is also required to report on Form FC-1a as of the last business day of the month on all specified currencies reported during the month, *regardless* of the exemption levels stated above.

(c) *Form FC-2*: A foreign branch or subsidiary need not be included in the weekly consolidated reports on Form FC-2 during a month if it was not required to be included in the monthly report on Form FC-2a as of the last business day of the preceding month. If, however, the foreign branch or subsidiary met the criteria for inclusion in the consolidated report on Form FC-2a as of the last business day of the preceding month in any specified foreign currency, the entire line for each such currency and the line "United States dollars held or owed by offices located outside the United States" must be included in the weekly reports on this form during the following month.

(d) *Form FC-2a*: A report need not be filed as of any month-end with respect to a foreign branch or subsidiary if in each of the specified foreign currencies the U.S. dollar equivalent value of each of the entries in the "Total of all maturities" line for the categories of assets, liabilities, exchange contracts bought, and exchange contracts sold is less than \$10 million. If, however, the U.S. dollar equivalent value of any of these categories on the "Total of all maturities" line is \$10 million or more in any specified foreign currency, the entire maturity schedule and the "Capital assets and liabilities" line for each such currency must be reported with respect to that foreign branch or subsidiary in the applicable "Offices located in (country)" or "Offices located elsewhere" section. In addition, the maturity schedule and "Capital assets and liabilities" line for "United States dollars held or owed by offices located outside the United States" must be reported with respect to that foreign branch or subsidiary. A foreign branch or subsidiary holding only a United States dollar position and no reportable position in the specified foreign currencies need not be included in the monthly consolidated report. *Exception*: Each bank or banking institution which is required to report on Form FC-2a as of the last business day of the month with respect to a foreign branch or subsidiary is also required to report on Form FC-2 as of each Wednesday of the following month with respect to that branch or subsidiary.

(e) *Form FC-3*: A report as of any month-end need not be filed for a specified foreign currency if the dollar equivalent value of *each* of the categories stated in the column headings (e.g., liquid assets, other assets, etc.) for that currency is less than \$2 million. If, however, the dollar equivalent value of *any* of the categories denominated in a specified foreign currency is \$2 million or more, the line for that currency must be reported.

The reporter need not include in the consolidation on this report as of any month-end the data of the domestic principal respondent or a domestic branch, partnership, or subsidiary for a specified foreign currency if the U.S. dollar equivalent value of *each* of the categories for that currency held by such domestic principal respondent, branch, partnership, or subsidiary is less than \$400 thousand. If, however, the dollar equivalent value of *any* of the categories for the domestic principal respondent or for a particular branch, partnership, or subsidiary denominated in a specified foreign currency is \$400 thousand or more, the entire line for that currency must be included in the reporter's consolidation.

(f) *Form FC-4*: A report as of the end of any calendar quarter need not be filed with respect to a foreign branch, partnership, or subsidiary for a specified foreign currency if the U.S. dollar equivalent value of *each* of the



categories stated in the column headings (e.g., liquid assets, other assets, etc.) for that currency is less than \$3 million. If, however, the dollar equivalent value of any of the categories denominated in a specified currency other than the U.S. dollar is \$3 million or more, the entire line for that currency must be reported.

A report as of any quarter-end need not be filed with respect to a foreign branch, partnership or subsidiary holding only a U.S. dollar position and no reportable position in the specified foreign currencies.

The consolidated report should include the data for all foreign branches, partnerships and subsidiaries that exceed the exemption level described above.

## PART III

### REGULATIONS OF THE SECRETARY OF THE TREASURY

#### TITLE 31—MONEY AND FINANCE; TREASURY

##### CHAPTER I—MONETARY OFFICES, DEPARTMENT OF THE TREASURY

##### PART 128—TRANSACTIONS IN FOREIGN EXCHANGE, TRANSFERS OF CREDIT, AND EXPORT OF COIN AND CURRENCY

###### SUBPART A — REGULATIONS

Sec.

- 128.1 General license.
- 128.2 Reports.
- 128.3 Use of information reported.
- 128.4 Penalties.
- 128.5 Modification or revocation.

###### SUBPART B — DESCRIPTION OF FORMS PRESCRIBED UNDER THIS SUBPART

- 128.10 Copies.
- 128.11 International Capital Form BL-1: Reporting bank's own liabilities to "foreigners" payable in dollars.
- 128.11a International Capital Form BL-2: Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars.
- 128.11b International Capital Form BC: Reporting bank's own claims on "foreigners" payable in dollars.
- 128.12 International Capital Form BQ-1: Claims on "foreigners" payable in dollars.
- 128.12a International Capital Form BQ-2: Liabilities to, and claims on, "foreigners" payable in foreign currencies.
- 128.13 International Capital Form BL-1(A): Reporting bank's own liabilities to "foreigners" payable in dollars. (Short form.)



- 128.13a International Capital Form BL-2(A) : Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars. (Short form.)
- 128.13b International Capital Form BC(A) : Reporting bank's own claims on "foreigners" payable in dollars. (Short form.)
- 128.13c International Capital Form BQ-1(A) : Claims on "foreigners" payable in dollars. (Short form.)
- 128.13d International Capital Form BQ-2(A) : Liabilities to and claims on "foreigners" payable in foreign currencies. (Short form.)
- 128.14 International Capital Form BL-1(SA) : Reporting bank's own liabilities to "foreigners" payable in dollars in countries not listed separately on Form BL-1.
- 128.14a International Capital Form BL-2(SA) : Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars in countries not listed separately on Form BL-2.
- 128.14b International Capital Form BC(SA) : Reporting bank's own claims on "foreigners" payable in dollars in countries not listed separately on Form BC.
- 128.15 International Capital Form C-1/2 : Liabilities to, and claims on, "foreigners."
- 128.16 International Capital Form C-3 : "Short-term" liquid claims on "foreigners."
- 128.17 International Capital Form S : Purchases and sales of "long-term" securities by "foreigners."
- 128.18 Supplement to International Capital Form S : U.S. Government bonds and notes held for "foreigners."
- 128.21 Use of prescribed report forms for portions of data required to be reported thereon.
- 128.22 Special survey report forms.
- 128.23 Alternative methods of reporting.

AUTHORITY: The provisions of this Part 128 issued under (Sec. 5, Pub. L. 65-91, 40 Stat. 415, 12 U.S.C. 95a, 50 U.S.C. App. 5 as amended; Sec. 8, Pub. L. 79-171, 59 Stat. 515, 22 U.S.C. 286f; Sec. 4, Pub. L. 94-472, 90 Stat. 2059, 22 U.S.C. 3103; E.O. 6560, Jan. 15, 1934; E.O. 10033, 14 FR 561, 3 CFR, 1949—1953 Comp.; E.O. 11961, January 9, 1977, 42 FR 4321, as amended.)

#### SUBPART C — DESCRIPTION OF FORMS PRESCRIBED UNDER THIS SUBPART

##### 128.30 Copies.

- 128.31 Foreign Currency Form FC-1 : Weekly foreign currency report of banks in the United States.



- 128.32 Foreign Currency Form FC-1a: Monthly foreign currency report of banks in the United States.
- 128.33 Foreign Currency Form FC-2: Weekly consolidated foreign currency report on foreign branches and subsidiaries of United States banks.
- 128.34 Foreign Currency Form FC-2a: Monthly consolidated foreign currency report on foreign branches and subsidiaries of United States banks.
- 128.35 Foreign Currency Form FC-3: Monthly report of assets, liabilities, and positions in specified foreign currencies of firms in the United States.
- 128.36 Foreign Currency Form FC-4: Quarterly consolidated report of assets, liabilities, and positions in specified currencies of foreign branches and subsidiaries of firms in the United States.
- 128.37 Special reports.

AUTHORITY: Title II, Pub. L. 93-110, 87 Stat. 352 (31 U.S.C. 1141-1143).

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#### SUBPART A — REGULATIONS

§ 128.1 *General license.* Licenses may be granted, and a general license is hereby granted, to all individuals, partnerships, associations, and corporations, authorizing any and all transactions in foreign exchange, transfers of credit, and exports of currency (other than gold certificates) and silver coin. The general license granted in this section authorizes transactions to be carried out which are permitted by Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), under license therefor issued pursuant to such Executive order; but does not authorize any transaction to be carried out which, at the time, is prohibited by any other order or by any law, ruling, or regulation.

§ 128.2 *Reports.* (a) In order to effectuate the purposes of the Emergency Banking Act of 1933 (12 U.S.C. 95a) and Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), and the International Investment Survey Act of 1976 (90 Stat. 2059, 22 U.S.C. 3101 note), and in order that information requested by the International Monetary Fund under the articles of agreement of the Fund may be obtained in accordance with section 8(a) of the Bretton Woods Agreements Act (sec. 8(a) 59 Stat. 515; 22 U.S.C. 286f and Executive Order No. 10033, 14 FR 561; 3 CFR, 1949 Supp.), every person subject to the jurisdiction of the United States engaging (1) in any transaction in foreign exchange; (2) in any transfer of credit between any person within the United States and any person outside of the United States; or (3) in the export or withdrawal from the United States of any currency or silver coin which is legal tender in the United States, shall furnish information relative thereto to such extent and in such manner and at such intervals as is required by report forms and instructions prescribed in Subpart B of this part.

(b) In order to effectuate the purposes of the Emergency Banking Act (12 U.S.C. 95a) and Executive Order 6560 of January 15,



1934 (Part 127 of this chapter), and to provide additional data on the nature and source of flows of mobile capital, including transactions by large United States business enterprises and their foreign affiliates, as required by Title II of Public Law 93-110 (87 Stat. 352), every United States person engaging (1) in any transaction in foreign exchange; (2) in any transfer of credit between any person within the United States and any person outside the United States; or (3) in the export or withdrawal from the United States of any currency or silver coin which is legal tender in the United States, shall furnish information relative thereto to such extent and in such manner and at such intervals as is required by report forms and instructions prescribed in Subpart C of this part. Information shall also be furnished by every United States person or persons with regard to any foreign person controlled by such United States person or persons as provided in Subpart C of this part.

(c) All persons required to report, other than banks and banking institutions, shall furnish the reports required under Subparts B and C of this part to the Federal Reserve Bank of New York. Banks and banking institutions shall furnish the required reports to the Federal Reserve bank of the district in which such bank or banking institution has its principal place of business in the United States. In the event that any person required to report has no principal place of business within a Federal Reserve district, the information shall be furnished directly to the Office of the Assistant Secretary for Economic Policy, Department of the Treasury, Washington, D.C. 20220 or to such agency as the Department of the Treasury may designate.

[Title II, Public Law 93-110, 87 Stat. 352 (31 U.S.C. 1141-1143)]

§ 128.3 *Use of information reported.* The information reported on the forms required under Subparts B and C will not be disclosed publicly by the Department of the Treasury or by any other Federal agency having access to the information as provided herein. Data reported on these forms may be published or released in the aggregate in a manner which will not reveal the amounts reported by any individual reporting bank or nonbanking firm. The Department may furnish to other Federal agencies data reported on these forms to the extent permitted by the Federal Reports Act, 44 U.S.C. 3501, *et seq.* In addition, the Department may furnish other Federal agencies data reported on the forms required under Subpart B to the extent permitted by the International Investment Survey Act of 1976, U.S.C. 3101 note *et seq.*

§ 128.4 *Penalties.* (a) Whoever willfully fails to submit a report required under this part may be criminally prosecuted and upon conviction fined not more than \$10,000, or, if a natural person, may be imprisoned for not more than ten years, or both. Any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both.

(b) Whoever fails to submit a report required under Subpart C of this part may be assessed a civil penalty not exceeding \$10,000.

[Section 2, Emergency Banking Act of 1933, 48 Stat. 1 (12 U.S.C. 95a); Section 203, Public Law 93-110, 87 Stat. 352 (31 U.S.C. 1143)]

§ 128.5 *Modification or revocation.* The regulations in this part and the general license granted in this part may be modified or revoked at any time.



§ 128.10 *Copies.* Copies of the forms described in this subpart with instructions may be obtained from any Federal Reserve bank or the Office of the Assistant Secretary for Economic Policy, Treasury Department, Washington, D.C., 20220.

§ 128.11 *International Capital Form BL-1: Reporting bank's own liabilities to "foreigners" payable in dollars.* On this form banks, banking institutions, brokers and dealers in the United States are required to report monthly to a Federal Reserve bank their own liabilities to "foreigners", payable in dollars, as of the last day of business of the month.

§ 128.11a *International Capital Form BL-2: Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars.* On this form banks, banking institutions, brokers and dealers in the United States are required to report monthly to a Federal Reserve bank assets held on behalf of "foreigners" which represent claims payable in dollars on institutions or individuals in the United States, as of the last day of business of the month.

§ 128.11b *International Capital Form BC: Reporting bank's own claims on "foreigners" payable in dollars.* On this form banks and banking institutions in the United States are required to report monthly to a Federal Reserve bank their own claims on "foreigners" payable in dollars as of the last day of business of the month.

§ 128.12 *International Capital Form BQ-1: Claims on "foreigners" payable in dollars.* On this form banks and banking institutions in the United States are required to report quarterly as of the last business day of each March, June, September and December, to a Federal Reserve bank their own claims on "foreigners" payable in dollars and assets held for the account of domestic customers which represent claims on "foreigners" payable in dollars.

§ 128.12a *International Capital Form BQ-2: Liabilities to and claims on "foreigners" payable in foreign currencies.* On this form banks and banking institutions in the United States are required to report quarterly as of the last business day of each March, June, September and December, to a Federal Reserve bank their own liabilities to, and claims on, "foreigners" payable in foreign currencies and assets held for the account of domestic customers which represent claims on "foreigners" payable in foreign currencies.

§ 128.13 *International Capital Form BL-1(A): Reporting bank's own liabilities to "foreigners" payable in dollars. (Short form.)* This form may be filed in lieu of Form BL-1 by reporters who have reportable items for only a few countries or geographical areas.

§ 128.13a *International Capital Form BL-2(A): Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars. (Short form.)* This form may be filed in lieu of Form BL-2 by reporters who have reportable items for only a few countries or geographical areas.

<sup>1</sup> The specific reporting requirements contained in this subpart have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.



§ 128.13b *International Capital Form BC(A): Reporting bank's own claims on "foreigners" payable in dollars. (Short form.)* This form may be filed in lieu of Form BC by reporters who have reportable items for only a few countries or geographical areas.

§ 128.13c *International Capital Form BQ-1(A): Claims on "foreigners" payable in dollars. (Short form.)* This form may be filed in lieu of Form BQ-1 by reporters who have reportable items for only a few countries or geographical areas.

§ 128.13d *International Capital Form BQ-2(A): Liabilities to and claims on "foreigners" payable in foreign currencies. (Short form.)* This form may be filed in lieu of Form BQ-2 by reporters who have reportable items for only a few countries or geographical areas.

§ 128.14 *International Capital Form BL-1(SA): Reporting bank's own liabilities to "foreigners" payable in dollars in countries not listed separately on Form BL-1.* On this form banks, banking institutions, brokers and dealers in the United States are required to report twice a year, as of June 30 and December 31 to a Federal Reserve bank their own liabilities to "foreigners" payable in dollars in countries not listed separately on Form BL-1.

§ 128.14a *International Capital Form BL-2(SA): Custody liabilities of reporting banks, brokers and dealers to "foreigners" payable in dollars in countries not listed separately on Form BL-2.* On this form banks, banking institutions, brokers and dealers in the United States are required to report twice a year, as of June 30 and December 31 to a Federal Reserve bank assets held on behalf of "foreigners" in countries not listed separately on Form BL-2 which represent claims payable in dollars on institutions or individuals in the United States.

§ 128.14b *International Capital Form BC(SA): Reporting bank's own claims on "foreigners" payable in dollars in countries not listed separately on Form BC.* On this form banks and banking institutions in the United States are required to report twice a year, as of June 30 and December 31 to a Federal Reserve bank their own claims on "foreigners" payable in dollars in countries not listed separately on Form BC.

§ 128.15 *International Capital Form C-1/2: Liabilities to, and claims on, "foreigners."* On this form exporters, importers, industrial and commercial concerns and other nonbanking institutions in the United States are required to report quarterly, as of the last day of business of the quarter, to the Federal Reserve Bank of New York, "short-term" and certain other liabilities to and claims on "foreigners" acquired or held, either in the United States or abroad, by reporting organizations for their own account or for the account of others.

§ 128.16 *International Capital Form C-3: "Short-term" liquid claims on "foreigners."* On this form exporters, importers, industrial and commercial concerns and other nonbanking institutions in the United States are required to report monthly to the Federal Reserve Bank of New York data on a portion of their claims on "foreigners," as of the last day of business of the month.

§ 128.17 *International Capital Form S: Purchases and sales of "long-term" securities by "foreigners."* On this form banks and banking institutions, brokers and dealers in the United States are required to report monthly to a Federal Reserve bank transactions in "long-term"



and certain other securities executed in the United States for account of "foreigners" and by foreign "official" institutions and transactions in "long-term" securities executed abroad for their own account and for the account of their domestic customers.

§ 128.18 *Supplement to International Capital Form S: U.S. Government bonds and notes held for "foreigners."* On this form banks and banking institutions, brokers and dealers in the United States are required to report to a Federal Reserve bank, as requested by the Treasury Department, their holdings for the account of "foreigners" of United States Government bonds and notes.

§ 128.21 *Use of prescribed report forms for portions of data required to be reported thereon.* The report forms described in Sections 128.11-128.18 are also prescribed for use, as needed, for the collection at intervals other than the ones stated of a portion of the data required on each form in the same or greater detail.

§ 128.22 *Special survey report forms.* On report forms other than those described in Sections 128.11-128.18 reports are required from time to time to provide detailed information on the content of aggregate data reported on these forms and also to provide qualitative information necessary for adequate analysis of the data reported.

§ 128.23 *Alternative methods of reporting.* In lieu of reports on the forms described in this subpart, the required data may be reported on computer printouts in the same format, signed by a responsible officer of the reporting institution; or on punch cards, magnetic tape, or other media that can be processed by data processing equipment, accompanied by a printed copy of the data reported which must be signed by a responsible officer of the reporting institution. The proposed method and format of reporting must be acceptable to the Federal Reserve Bank of the district in which the report is filed, and must be approved in writing by that bank.

#### SUBPART C — DESCRIPTION OF FORMS PRESCRIBED UNDER THIS SUBPART

§ 128.30 *Copies.* Copies of the forms described in this subpart with instructions may be obtained from a Federal Reserve bank or from the Office of the Assistant Secretary for Economic Policy, Department of the Treasury, Washington, D.C. 20220.

§ 128.31 *Foreign Currency Form FC-1: Weekly foreign currency report of banks in the United States.* On this form, banks and banking institutions, including bank holding companies, in the United States are required to report weekly to a Federal Reserve Bank their assets, liabilities, and positions in the foreign currencies specified on the form, as of the close of business on Wednesday.

§ 128.32 *Foreign Currency Form FC-1a: Monthly foreign currency report of banks in the United States.* On this form, banks and banking institutions, including bank holding companies, in the United States are required to report to a Federal Reserve Bank their assets, liabilities, and positions, by maturity, in the foreign currencies specified on the form, as of the close of business on the last business day of the month.

§ 128.33 *Foreign Currency Form FC-2: Weekly consolidated foreign currency report on foreign branches and subsidiaries of United*



*States banks.* On this form, United States banks and banking institutions, including bank holding companies, are required to report weekly to a Federal Reserve Bank the consolidated net assets, liabilities, and positions of their foreign branches and majority-owned foreign subsidiaries in the currencies specified on the form as of the close of business on Wednesday.

§ 128.34 *Foreign Currency Form FC-2a: Monthly consolidated foreign currency report on foreign branches and subsidiaries of United States banks.* On this form, United States banks and banking institutions, including bank holding companies, are required to report monthly to a Federal Reserve Bank the consolidated assets, liabilities, and positions, by maturity, of their foreign branches and majority-owned foreign subsidiaries in the currencies specified on the form as of the close of business on the last business day of the month.

§ 128.35 *Foreign Currency Form FC-3: Monthly report of assets, liabilities, and positions in specified foreign currencies of firms in the United States.* On this form, nonbanking business concerns and nonprofit institutions in the United States employing 100 persons or more in their domestic operations, are required to report monthly to the Federal Reserve Bank of New York their assets, liabilities, and positions in the foreign currencies specified on the form, as of the last day of business of the month.

§ 128.36 *Foreign Currency Form FC-4: Quarterly consolidated report of assets, liabilities, and positions in specified currencies of foreign branches and subsidiaries of firms in the United States.* On this form, nonbanking business firms and nonprofit institutions in the United States, employing 100 persons or more in their domestic operations, are required to report quarterly to the Federal Reserve Bank of New York the consolidated assets, liabilities, and forward exchange positions of their foreign branches and majority-owned foreign partnerships and subsidiaries in the currencies specified on the form, as of the last day of business of the calendar quarter.

§ 128.37 *Special reports.* At times when prompt or expanded information on current conditions in the foreign exchange market is needed by the Department of the Treasury, special reports may be required at more frequent intervals or at different intervals than those specified on the forms, covering more detailed information than that required by the forms, and covering information related to that required by the forms. Special reports may be required to be submitted by telegraph or other rapid means of communication.