

FEDERAL RESERVE BANK
OF NEW YORK

448627

August 20, 1979

PROPOSED QUARTERLY REPORT OF CONDITION OF BRANCHES
AND AGENCIES OF FOREIGN BANKS

*To the Officers in Charge of All U.S. Branches
and Agencies of Foreign Banks in the
Second Federal Reserve District:*

The Federal Financial Institutions Examination Council has invited public comment on a proposed report of condition to be required quarterly from U.S. branches and agencies of foreign banks. The report is designed to serve as one of the basic reports to implement a portion of the International Banking Act of 1978 and to serve a variety of supervisory and monetary policy purposes. The report would be filed with the Federal Reserve by all agencies and branches regardless of size or governing agency.

The Council has requested comments on a number of features of the proposed report by September 17. We would be pleased to assist you with any questions you might have on the report. We would also appreciate receiving copies of any comments that you provide to the Council.

A copy of the proposal has been sent to your branch or agency by the Examination Council. If for any reason you have not received a copy, we would be pleased to send you one.

Comments or requests for copies should be directed to Richard W. Nelson, Manager of our Banking Studies Department (Tel. No. 212-791-5797).

THOMAS M. TIMLEN,
First Vice President.



Press Release

For immediate release

August 9, 1979

The Federal Financial Institutions Examination Council today proposed for public comment a report of condition to be required quarterly from U.S. branches and agencies of foreign banks.

The Council asked for comment by September 17.

The quarterly reports of condition would be made to the Federal bank supervisory agencies, to implement a part of the International Banking Act of 1978.

The proposed reports would serve the needs of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Federal Reserve Board. These agencies share, under the International Banking Act, Federal supervisory responsibility for foreign banking agencies and branches in the United States.

The reports would also be required of agencies and branches of Puerto Rican banks in the United States.

Under the Council's proposal, all reports would be sent to the Federal Reserve which would collect them and act as processing agent on behalf of the Council and the three Federal supervisory agencies. Reports would be due 20 days after the end of a quarter.

The new uniform report of condition proposed for foreign bank agencies and branches would substitute for reports of condition they are now submitting to the Federal supervisory agencies. The proposed condition report is patterned after and is similar to the condition report required quarterly of all United States banks.

The proposed report would be required of each United States agency or branch of a foreign bank, regardless of size. In general, no consolidated statement for

Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, National Credit Union Administration, Office of the Comptroller of the Currency

multiple agencies or branches of a given foreign bank would be required or permitted. To the extent the Federal regulators have need of a consolidated statement for agencies and branches of a given foreign bank, they would obtain this by consolidating the reports submitted by the individual agencies or branches on a state or national basis as required.

All branches and agencies, regardless of status would use the same report form. Where special information is required because of the regulatory status of an agency or branch -- for Federal Reserve reserve requirement purposes, or for the insurance purposes of the FDIC, for instance -- such information would be separately collected on supplementary report forms.

The Federal supervisory agencies would make the proposed report available upon request to the public, as is done for the similar report of condition of United States banks, except for a supplementary report on transactions with related institutions.

It is proposed that the first submission of the new report of condition should be for December 31, 1979. The agencies will issue the final version of the report format and instructions prior to the implementation date. Comment is requested particularly on the date of implementation.

The Council also requested comment particularly on features of the proposal relating to treatment of related institutions, credit balances, officers' checks, capital and reserve accounts, allowance for possible loan losses, and relation to the reporting requirements of State bank supervisors.

Comment on the proposal (attached) should be sent to: Executive Secretary, Examination Council, Washington, D.C. 20219.

RECEIVED

#####

AUG 13 1979

P. A. J.

ANSWERED.....
ATTENDED TO.....

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

Notice of Proposed Report Requirement

Quarterly Report of Condition to be submitted
by all U.S. agencies and branches
of foreign and Puerto Rican banks

SUMMARY

In connection with the implementation of the International Banking Act of 1978 and under Section 7(c)(2) of the Act (12 USC 3105(c)(2)), the Federal Financial Institutions Examination Council is submitting for public comment proposals for a quarterly report of condition that all U.S. agencies and branches of foreign banks and of Puerto Rican banks would be required to submit to the federal banking supervisory agencies. The proposed report would serve the needs of the three supervisory agencies--the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation--that, under the Act, share federal supervisory responsibilities for the U.S. agencies and branches of foreign banks.

Under the proposals, the Federal Reserve System would act as collecting and processing agent for the three federal supervisors; each agency and branch, regardless of status, would submit its return within 20 days after the end of each calendar quarter to the Federal Reserve within whose district it was located. It is proposed that the report of condition be required beginning with the report for December 31, 1979. A copy of the proposed report of condition is presented in Attachment A. Detailed definitions and instructions for filling out the report will be made available prior to the date of implementation.

All comments on this proposal should be submitted in writing to Robert J. Lawrence, Executive Secretary, Federal Financial Institutions Examination Council, Washington, D. C., 20219, to be received by September 10, 1979. For further information, contact Stanley J. Sigel, Assistant to the Board (202/452-2696), Board of Governors of the Federal Reserve System, Washington, D. C., 20551.

SUPPLEMENTARY INFORMATION

While the agencies and branches have been submitting condition statements to the federal supervisory agencies for some years, the passage of the International Banking Act has led to re-evaluation of the information needed for supervisory and monetary policy purposes. The Council concluded that revisions were required in the reports now submitted, particularly in order to bring them into closer conformance with the reports required of U.S.-chartered banks and to eliminate some duplicative reporting.

All the agencies and branches currently submit a monthly report of condition on the Federal Reserve report form FR 886a; the branches, but not the agencies, submit semi-annually to the FDIC the report of condition required quarterly of U.S. banks. The proposed quarterly report of condition would replace both of these current reports and would to a large extent constitute revised rather than new reporting requirements. The proposal represents, on balance, a reduction in reporting requirements resulting from reduction of frequency and, in some cases, elimination of duplicative reporting. U.S. branches of Puerto Rican banks would submit the proposed report rather than the standard U.S. bank report of condition that they

currently submit. The branches of foreign banks in Puerto Rico and in U.S. territories and possessions would be asked to submit the proposed report on a voluntary basis.

In format, item content, definitions and instructions, the proposed report is patterned after relevant parts of the quarterly reports of condition required of U.S. chartered banks. The quarterly report of condition submitted by a U.S. bank with foreign offices has two main components. One component is a fully consolidated statement for the entire bank, including both domestic offices and subsidiaries (including Edge Act subsidiaries) and all foreign offices and subsidiaries. The other component is a substatement covering only the bank's U.S. offices and subsidiaries (excluding Edge Act subsidiaries). Since the proposed report for the agencies and branches would cover only U.S. offices, it is analogous to the domestic substatement for U.S. banks with foreign offices. An analogue of the fully consolidated U.S. report, which would also cover the foreign offices of the foreign bank, is not being proposed.

The proposed report for agencies and branches differs from what is required for the domestic offices of U.S. banks in the U.S. bank report of condition only in the elimination or addition of specific items (and some rearrangement of format) reflecting organizational and portfolio differences between the U.S. banks and the agencies and branches of foreign banks. In particular, some items in the U.S. bank condition report that are of minor importance to the agencies and branches have been combined; there is more foreign/domestic customer identification than in the U.S. bank report; and

a schedule providing information on claims on and liabilities to "related" institutions has been added. The addition of items on the proposed agency and branch report that do not appear on the comparable report for U.S. banks reflects mainly the relatively greater role that foreign transactions play in the operation of the agencies and branches and the importance of their transactions with their foreign head office or parent and its subsidiaries and affiliated offices. Most of these "added" items are currently being reported on the FR 886a and thus are not additions to the current reporting requirements of the agencies and branches.

In comparison with the current reporting on the FR 886a, the proposed report would differ significantly in tabular organization and format but the substance of the report contents would not be too dissimilar. There would be differences in frequency and timing--the proposed report would be quarterly rather than monthly, with a submission deadline of 20 days after the last day of the quarter rather than 8 days. There would also be some differences in detail and in definition of some items.

As is the case with the current reporting, the proposed report would be submitted by each U.S. agency and each U.S. branch of foreign and Puerto Rican banks, regardless of the size of the agency or branch or of its head office or its consolidated "family". (The scope of the "family" is described later.) In general, no consolidation of statements for multiple agencies and branches of a given foreign bank would be required or permitted. However, multiple offices of a given foreign bank within a single city, or perhaps SMSA, could request permission to submit a consolidated report, provided that this

did not combine (a) agencies and branches, (b) state-chartered and federally-licensed offices, (c) federally insured and uninsured offices, (d) offices of different foreign banks even though part of the same "family", (e) offices in different states, or (f) offices in different Federal Reserve districts. This would be roughly consistent with the current practice on the FR 886a. Requests for permission to file consolidated reports would be considered on a case-by-case basis and would not be granted automatically.

Supervisory needs for a consolidated report on a basis wider than the individual office (e.g., a state or a national basis for all offices, or for any subset of offices, of a given foreign bank or "family") would be met by consolidation of the submitted individual office reports rather than by requiring the additional submission of a consolidated report. The design of the proposed report is such as to permit the construction of a variety of consolidations from the individual office reports without requiring additional information.

The same form of the report would be submitted by all agencies and branches regardless of their size, their status with respect to licensing or charter, their insurance status, or their reserve requirement status. In the case of the report of condition of U.S. banks, banks of different size submit somewhat different report forms. If specialized information is required from certain of the agencies and branches because of their particular federal status, such data would be collected on separate supplementary report forms or schedules. For example, the Federal Reserve would collect additional deposit information needed in connection with reserve requirements on a

separate deposit report; the FDIC would collect additional deposit information needed from insured institutions in connection with deposit assessments on a separate supplement to the report of condition.

It is proposed that there be no requirement either that the agencies and branches publish in the press the individual office reports they would submit to the supervisory agencies or that each foreign bank publish a consolidated statement for all its U.S. agencies and branches. The federal supervisory agencies would, however, make available to the public on request the agency and branch reports of condition in the form of computer printouts or tapes, as they now do for the U.S. bank reports. These would include all of the report except the supplementary schedule on intra-family relationships (Schedule M of Attachment A) which the supervisory agencies propose not to make available to the public.

It is proposed that the report of condition be required for agency and branch reporting beginning with the report for December 31, 1979. It is the intention of the Council that detailed information on the reporting requirements be supplied to respondents early enough to provide an adequate lead time for preparing for the revised reporting. Specifically, with a December implementation, it is currently anticipated that, after receipt and analysis of comments, announcement of final decisions in the major features of the report would be made by mid-October and final report formats and detailed instructions would be in the hands of respondents by mid-November. If the report is implemented for December 1979 reporting, the FR 886a report would continue to be submitted through November 1979 by all agencies and branches; for the

branches, the U.S. bank condition report would no longer be submitted to the FDIC. Comments are particularly sought on the date of implementation and on the lead time to be provided.

Comments are sought not only on the general characteristics of the proposed report of condition, but also on the specific details and treatments. A draft of the specific report form is presented in Attachment A. Attention is also called to the following features of the proposed report.

Transactions with related institutions. In the proposed report, as in the current FR 886a, a distinction is made between related and unrelated institutions. For the purpose of the proposed report, the related institutions of a U.S. agency or branch of a given foreign bank would cover all of the following (the whole group being referred to as the "family"): the foreign bank; its holding company; other banks--whether in the U.S., in Puerto Rico and U.S. territories and possessions, or in foreign countries--owned by the bank or its holding company; other subsidiaries of any of the foregoing, wherever located, including New York (Title XII) Investment companies, and Edge and Agreement subsidiaries; and branches, agencies, and offices, wherever located, of any of the foregoing. As in the current FR 886a, transactions with related institutions would be treated differently from those with unrelated institutions. Each item of the report (except the items for "net due to" and "net due from" related institutions) would include only transactions with outside parties and would exclude transactions with other members of the respondent's family. All transactions with family members would be reflected in the "net due to/due from" items, which would be broken down by type of related institution, but

not by the nature of the transaction, in the proposed supplementary Schedule M to the condition report. (See Attachment A.) This treatment would permit the federal supervisory agencies to produce statements at various levels of consolidation of related institutions in the U.S. by simple recombination of the submitted individual office reports without having to call for further reports or information from the respondents.

For purposes of this treatment, nonbanking subsidiaries of the family (except for those U.S. nonbanking subsidiaries of a "family"-owned U.S. bank that are consolidated in that U.S. bank's report of condition) would be treated as unrelated rather than as related institutions. (In the current FR 886a, nonbanking subsidiaries are treated as related.) While transactions with nonbanking subsidiaries would be treated as "outside party" transactions, banking subsidiaries of a nonbanking subsidiary would be included in the treatment for related institutions. While the nonbanking subsidiary transactions are treated as "outside party" transactions in the report, they are summarized in memoranda items in the intra-family supplementary schedule.

For purposes of this coverage, the term "subsidiary" would refer to majority-owned subsidiaries, including the majority-owned subsidiaries of majority-owned subsidiaries. This coverage is consistent with that in the report of condition for U.S. banks, but is broader than the coverage in the FR 886a, which related only to wholly-owned subsidiaries, and narrower than the coverage for bank holding company reporting.

Allowance for possible loan losses. Under the proposal, each branch and agency would be required to maintain an adequate allowance for

possible loan losses appropriate to the risk characteristics of the loans on the books of that branch or agency. This appropriate allowance for possible loan losses would be reported on the proposed report of condition as a deduction entry under gross loans to arrive at a measure of net loans. Total assets would be net of the allowance and net due to head office would be correspondingly reduced. Comments are specifically solicited with respect to the appropriateness, feasibility and meaningfulness of such a loan loss allowance for each individual branch and agency.

Credit balances. In the proposed report, credit balances are included in major subtotals with deposit liabilities. This is consistent with the treatment in the FR 886a report currently submitted by the agencies and branches. Identification of the liabilities for credit balances would be called for in the deposit schedule of the proposed statement. (See column D of Schedule F of Attachment A.) However, the exact form of that identification will depend upon the final regulatory decisions with respect to the reserve requirements treatment of credit balances under Regulation D.

Officers' checks. In the proposed report, the treatment of officers' checks would be the same as that required of U.S. banks. Agencies and branches would be required to include in their deposit liabilities (as part of officers' checks) checks (or equivalent instruments) drawn by them on themselves on behalf of foreign related institutions (practically always the head office) as soon as such checks (or equivalent instruments) were drawn. All officers' checks would be required to be reported gross and not netted against "due from banks" or any other asset account. Currently, some agencies and branches treat these items differently.

Capital and reserve accounts. The proposed report of condition would not contain any items labelled "capital" or "reserves" on the liability side of the statement. The agencies and branches are not separate corporate entities and do not properly have a capital account. Any "capital" contributions by the head office or any "related earnings" of the branch or agency office or any "contingency reserves" for the branch or agency office would be reflected in the item for "net due to head office" without segregation. This treatment is consistent with that in the domestic substatement for U.S. banks with foreign offices but differs from that in the currently submitted FR 886a.

The proposed report would identify the amounts of asset pledge requirements under state or federal statutes or regulation in a memorandum item labelled "statutory or regulatory capital requirement".

Daily averages. In addition to amounts outstanding of assets and liabilities as of the last day of each quarter, the proposed report of condition would call for the reporting of a number of daily averages--in some cases, averages of amounts for the last 30 days of the quarter; in other cases, averages of amounts for the full 90 days of the quarter. The 90-day averages would be required for various components of due to and due from related institutions--separately for related offices in the U.S. and for foreign related offices; and separately for nonbanking subsidiaries and for all other related offices.

Relation to reporting requirements of state bank supervisors

There are currently 10 states in which agencies and branches of foreign banks operate. In carrying out their responsibilities under state law, the state banking supervisors, for their own supervisory and informational purposes set reporting

requirements on the state chartered agencies and branches. For these purposes, several of the state banking supervisors currently use the FR 886a (or some variant). Indeed, the FR 886a report form was originally designed in a joint project with some of the state banking supervisors. Some states use their own report form to obtain information from branches of foreign banks, and some states use the standard report of condition for U.S. banks. The proposed revision of the condition statement to be submitted to the federal supervisory agencies thus raises questions as to the relationship with the reporting requirements of the state banking supervisors.

To the extent that federal and state reporting requirements for these institutions can be the same or consistent, reporting burdens on them are, of course, reduced. Such consistency could be achieved, without restricting in any way the independence of each state supervisor in getting whatever information is deemed necessary for state purposes, if the federal report were such that a state supervisor found it feasible and desirable to utilize the federal report as a core report and to obtain any additional information needed by the state in a separate report. For states that can use the results of the federal report rather than collecting their own (i.e., other than special supplements), the federal regulatory agencies would commit themselves to provide the returns to the state authorities in a mutually satisfactory manner. Each state would, of course, decide for itself whether such an approach was consistent with its needs and, if the federal report were used as a core, what kinds of additional information it would seek from state licensed or chartered agencies and branches.

The 10 state bank supervisors have been asked whether the proposed condition report meets their needs and, where the proposed report did not meet their needs, whether they found the "core" approach feasible. Some of the entries in the supplementary schedule on intra-family transactions (Schedule M of Attachment A) are intended to accommodate expressed needs of some state bank supervisors. The federal supervisory agencies would appreciate comments both from the state supervisors and from the agencies and branches on the matter of federal and state reporting requirements.

Other reports

In addition to the proposed report of condition for the agencies and branches that is presented here for comment, there will be other reporting proposals stemming from the International Banking Act that will affect the agencies and branches. For example, the introduction of an appropriate form of income reporting by the agencies and branches is now under active consideration. Any proposal to this effect would not call for income reporting to begin earlier than June 1980. From time to time, there will also be reports introduced for, or extended to, the agencies and branches in connection with federal deposit insurance, federal reserve requirements, access to the discount window, and other regulatory and monetary policy information needs. These would be analogous to information currently submitted by U.S. banks.

In addition to the agencies and branches, other foreign related institutions will be subject to changes in reporting. The monthly FR 886a is currently submitted by New York Investment companies owned by foreign banks, by U.S. banks that are majority owned by foreign banks or bank holding

companies, and by Agreement corporations owned by foreign banks. Over the next few months, active consideration will be given to replacing that monthly reporting--for the N.Y. Investment companies, with a revised quarterly report of condition and a report of income; for the U.S. subsidiary banks, with a single schedule on their transactions with related institutions to be attached to their regular quarterly report of condition as a U.S.-chartered bank; and for the Agreement subsidiaries (and any future Edge subsidiaries) of foreign banks, with a single schedule on their transactions with related institutions, to be attached to the quarterly report of condition required of all Edge and Agreement corporations. Until such changes are implemented, it is expected that all these institutions will continue their current pattern of reporting on the monthly FR 886a.

Federal Financial Institutions Examination Council, August 7, 1979.

(signed) Robert J. Lawrence

Robert J. Lawrence
Executive Secretary

[SEAL]

companies, and by Agreement corporations owned by foreign banks. Over the next few months, active consideration will be given to replacing that monthly reporting--for the N.Y. Investment companies, with a revised quarterly report of condition and a report of income; for the U.S. subsidiary banks, with a single schedule on their transactions with related institutions to be attached to their regular quarterly report of condition as a U.S.-chartered bank; and for the Agreement subsidiaries (and any future Edge subsidiaries) of foreign banks, with a single schedule on their transactions with related institutions, to be attached to the quarterly report of condition required of all Edge and Agreement corporations. Until such changes are implemented, it is expected that all these institutions will continue their current pattern of reporting on the monthly FR 886a.

Federal Financial Institutions Examination Council, August 7, 1979.

(signed) Robert J. Lawrence

Robert J. Lawrence
Executive Secretary

[SEAL]

ATTACHMENT A

Proposed Report of Assets and Liabilities
of U.S. Branches and Agencies
of Foreign Banks

Report of _____
(Legal Title of Branch or Agency)

_____ at close of business on _____, 19__

ASSETS

1. Cash and due from depository institutions (From Schedule C, item 8).....
2. U.S. Treasury securities.....
3. Obligations of other U.S. Government agencies and corporations.....
4. Obligations of States and political subdivisions in the United States....
5. Other bonds, notes, debentures and corporate stock.....
6. Federal funds sold and securities purchased under agreements to resell
(From Schedule N, item 3).....
7. a. Loans, Total (excluding unearned income) From Schedule A, item 8)
b. Less: allowance for possible loan losses
c. Loans, Net
8. Lease financing receivables.....
9. Customers' liability to this branch or agency on acceptances outstanding:
(1) U.S. addressees (domicile).....
(2) Non-U.S. addressees (domicile).....
10. Other assets (claims on nonrelated parties) (From Schedule G, item 3)....
11. Net due from head office and other related institutions in the U.S. and
in foreign countries (From Schedule M, Column C, item 7).....
12. TOTAL ASSETS (sum of items 1 thru 11).....

LIABILITIES

13. Total deposits and credit balances (From Schedule F).....
14. Federal funds purchased and securities sold under agreements to
repurchase (From Schedule O, item 3).....
15. Other liabilities for borrowed money (From Schedule L, Column A, item 3).
16. Branch or agency liability on acceptances executed and outstanding.....
17. Other liabilities to non-related parties (From Schedule H, item 3).....
18. Net due to head office and other related institutions in the U.S. and in
foreign countries (From Schedule M, Column C, item 7).....
19. TOTAL LIABILITIES (sum of items 13 thru 18).....

MEMORANDA

1. Amounts outstanding as of report date:
 - a(1) Standby letters of credit, total.....
 - (a) To U.S. addressees (domicile).....
 - (b) To non-U.S. addressees (domicile).....
 - a(2) Amount of standby letters of credit in Memo item 1a(1) conveyed to others through participations.....
 - b. Time certificates of deposit in denominations of \$100,000 or more.....
 - c. Other time deposits in amounts of \$100,000 or more.....
 - d. Commercial letters of credit.....
 - e. Amount of acceptances reported in item 16 that have been reaccepted or confirmed by another bank in the U.S.
 - f. Contracts to buy foreign exchange and bullion.....
 - g. Contracts to sell foreign exchange and bullion.....
 - h. Statutory or regulatory capital requirement.....
2. Average for 30 calendar days (or calendar month) ending with report date:
 - a. Cash and due from depository institutions (corresponds to item 1 above).....
 - b. Federal funds sold and securities purchased under agreements to resell (corresponds to item 6 above).....
 - c. Total loans (corresponds to item 7 above).....
 - d. Time certificates of deposits in denominations of \$100,000 or more (corresponds to Memoranda item 1b above).....
 - e. Total deposits and credit balances (corresponds to item 13 above).....
 - f. Federal funds purchased and securities sold under agreements to repurchase (corresponds to item 14 above).....
 - g. Other liabilities for borrowed money (corresponds to item 15 above).....
 - h. Total assets (corresponds to item 12 above).....

SCHEDULE A - Loans (including rediscounts and overdrafts)

1. Real estate loans (including only loans secured primarily by real estate).....
2. Loans to financial institutions:
 - a. To commercial banks in the U.S.:
 - (1) To U.S. branches and agencies of U.S. banks.....
 - (2) To other commercial banks in the U.S.....
 - b. To banks in foreign countries:
 - (1) To foreign branches of other U.S. banks.....
 - (2) To other banks in foreign countries.....
 - c. To other financial institutions.....
3. Loans for purchasing or carrying securities (secured and unsecured).....
4. Commercial and industrial loans (except those secured primarily by real estate):
 - a. To U.S. addressees (domicile).....
 - b. To non-U.S. addressees (domicile).....
5. Loans to individuals for household, family, and other personal expenditures (include purchased paper).....
 - a. To U.S. addressees (domicile).....
 - b. To non-U.S. addressees (domicile).....
6. Loans to foreign governments and official institutions.....
7. All other loans.....
8. TOTAL LOANS (excluding unearned income) (must equal Assets, item 7).....

MEMORANDA

1. Holdings of commercial paper included in Schedule A.....
2. Holdings of acceptances included in item 4 of Schedule A:
 - a(1) Holdings of own acceptances.....
 - a(2) Holdings of acceptances accepted or confirmed by other banks in the U.S.....
 - b(1) Holdings of U.S. acceptances (U.S.-domiciled borrowers).....
 - b(2) Holdings of non-U.S. acceptances (non-U.S.-domiciled borrowers).....
3. Loans to banks in foreign countries--average for 30 calendar days (or calendar month ending with report date) (corresponds to sum of items 2b(1) and 2b(2) of Schedule A).....
4. Commercial and industrial loans with remaining maturity of one year or less:
 - a. With predetermined interest rates.....
 - b. With floating interest rates.....
5. Commercial and industrial loans with remaining maturity of more than one year:
 - a. With predetermined interest rates.....
 - b. With floating interest rates.....

SCHEDULE C - Cash and Due from Depository Institutions

1. Cash items in process of collection and unposted debits.....
2. Demand balances with commercial banks in the U.S.^{1/}.....
3. Time and savings balances with commercial banks in the U.S. ^{1/}.....
4. Balances with other depository institutions in the U.S.....
5. Balances with banks in foreign countries:
 - a. With foreign branches of U.S. banks.....
 - b. With other banks in foreign countries.....
6. Balances with central banks:
 - a. Balances with Federal Reserve Banks.....
 - b. Balances with other central banks.....
7. Currency and coin (U.S. and foreign).....
8. TOTAL (must equal Assets, item 1).....

^{1/} Items 2 and 3 will include credit balances with U.S. agencies of foreign banks consistent with their treatment under Regulation D.

SCHEDULE F - Deposit Liabilities and Credit Balances ^{1/}

	A. Demand	B. Savings	C. Time	D. Credit Balances
1. Deposits and credit balances of individuals, partnerships, and corporations:	////	////	////	////
a. of U.S. addressees (domicile).....				
b. of non-U.S. addressees (domicile).....				
2. Deposits and credit balances of United States Government and of States and political subdivisions in the U.S.....				
3. Deposits and credit balances of foreign governments and official institutions.....				
4. Deposits and credit balances of commercial banks in the United States:	////	////	////	////
a. U.S. branches and agencies of other foreign banks.....				
b. Other commercial banks in the United States.....				
5. Deposits and credit balances of banks in foreign countries:	////	////	////	////
a. Foreign branches of U.S. banks.....				
b. Other banks in foreign countries.....				
6. Certified and officers' checks, travelers' checks, letters of credit sold for cash.....		////	////	////
7. TOTAL DEPOSITS AND CREDIT BALANCES (Columns A, B, C & D must equal Liabilities, item 13).....				
MEMORANDA	////	////	////	////
1. Savings deposits authorized for automatic transfer and NOW accounts included in item 1, Column B above.....	////		////	////
2. Money market time deposits in denominations of \$10,000 but less than \$100,000 with original maturities of 26 weeks included in item 7, Column C above.....	////	////		////
3. Time certificates of deposit in denominations of \$100,000 or more with remaining maturity of more than 12 months included in item 7, Column C above.....	////	////		////

^{1/} The treatment of credit balances in Schedule F will depend on their treatment under Regulation D.

r Assets

or accrued on loans but not collected.....
st items over 10% of item 3 below, unless less than \$100,000)

qual Assets, item 10).....

r Liabilities

ued and unpaid.....
st items over 10% of item 3 below, unless less than \$100,000)

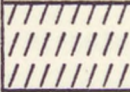
qual Liabilities, item 17).....

SCHEDULE L - Other Liabilities for Borrowed Money

A. Total	B. To U.S. Addressees	C. To Non-U.S. Addressees
1. Owed to Banks.....		
2. Owed to others.....		
3. Total (Column A must equal Liabilities, item 15).....		

MEMORANDUM

1. Immediately available funds with a maturity greater than one day included in other..... liabilities for borrowed money.....



SCHEDULE M - Due to/Due from head office and other related institutions in the U.S. and in foreign countries

PART 1. Transactions with related institutions reflected in net due to/net due from items (items 11 and 18) of face of report.

	(A) Gross due to	(B) Gross due from	(C)=A - B Net due to (+) or due from (-)
Amounts outstanding as of report date:			
1. Related branches and agencies in the U.S.			
(a) In same state as reporting office....			
(b) In other states.....			
2. U.S. offices of related N.Y. investment companies <u>1/</u>			
3. U.S. offices of related Edge and Agreement Corporations <u>2/</u>			
4. U.S. offices of related (majority-owned) U.S. banks <u>3/</u>			
5. Head office and its non-U.S. branches and agencies. <u>4/</u>			
6. Other non-U.S. related companies and offices, excluding non-banking subsidiaries. <u>5/</u>			
7. TOTAL (column C must equal Liabilities item 18 if positive or Assets item 11 if negative.....)			
8. MEMO: Amount of item 7 for wholly-owned subsidiaries in items 2, 3, 4 and 6. <u>6/</u>			
Averages of daily amounts for the preceding quarter:			
9. Related offices in the U.S. (corresponds to the sum of items 1-4 above).....			
10. Related offices in foreign countries and in Puerto Rico and U.S. territories and possessions (corresponds to sum of items 5 and 6 above).....			

SCHEDULE M (continued)

PART 2. Transactions with related institutions not reflected in net due to/net due from items (items 11 and 18) of face of report.

	(A) Gross due to	(B) Gross due from	(C)=A - B Net due to (+) or due from (-)
Amounts outstanding as of report date:			
11. Nonbanking majority-owned subsidiaries in the U.S.			
12. Nonbanking majority-owned subsidiaries in foreign countries and in Puerto Rico and U.S. territories and possessions.....			
13. MEMO: Amount of items 11 and 12 for wholly-owned subsidiaries. 6/			
Averages of daily amounts for the preceding quarter:			
14. Nonbanking majority-owned subsidiaries in the U.S. (corresponds to item 11 above).			
15. Nonbanking majority-owned subsidiaries in foreign countries and in Puerto Rico and U.S. territories and possessions (corresponds to item 12 above).....			

Footnotes to SCHEDULE M:

- 1/ Foreign offices of these companies are reflected in line 5.
- 2/ Includes transactions with Edge and Agreement subsidiaries of U.S. related (majority-owned) banks. Foreign branches and subsidiaries of the Edges are reflected in item 5.
- 3/ Foreign and Puerto Rican and territorial branches and subsidiaries of these banks are reflected in item 5.
- 4/ Includes transactions with parent bank's branches in Puerto Rico and U.S. territories and possessions.
- 5/ Includes transactions with offices of related institutions in foreign countries and in Puerto Rico and U.S. territories and possessions. Includes transactions with foreign branches and subsidiaries of related N.Y. investment companies, of related Edge corporations, and of related U.S. (majority-owned) banks.
- 6/ Wholly-owned other than directors' qualifying shares.

SCHEDULE N - Federal Funds Sold and Securities Purchased Under Agreement to Resell

1. Loans of immediately available funds with one-day maturity or continuing contract:
 - a. Securities purchased under agreements to resell.....
 - b. Other.....
2. Other securities purchased under agreements to resell.....
3. Total -- Items 1a + 1b + 2; also equals sum of items a, b, and c below (Must equal Assets, item 6).....
 - a. With commercial banks in the U.S.....
 - b. With brokers and dealers in securities.....
 - c. With others.....

SCHEDULE O - Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

1. Borrowings of immediately available funds with one-day maturity or continuing contract:
 - a. Securities sold under agreements to repurchase.....
 - b. Other.....
2. Other securities sold under agreements to repurchase.....
3. Total -- Items 1a + 1b + 2; also equals sum of items a through f below (Must equal Liabilities, item 14).....
 - a. With commercial banks in the U.S.....
 - b. With savings and loan associations and mutual savings banks.....
 - c. With nonfinancial businesses in the U.S.....
 - d. With state and local governments in the U.S.....
 - e. With U.S. government agencies and corporations, banks in foreign countries, and foreign official institutions.....
 - f. With other.....