

**FEDERAL RESERVE BANK
OF NEW YORK**

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**REPORTS TO FEDERAL FINANCIAL INSTITUTIONS
EXAMINATION COUNCIL**

**— Quarterly FFIEC 002 Report Revised
— Proposal To Revise Annual FFIEC 001 Report**

*To All State Member Banks, and U.S. Branches and Agencies
of Foreign Banks, in the Second Federal Reserve District:*

The Federal Financial Institutions Examination Council (FFIEC) has (a) approved a revised quarterly Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002), effective with the September 30, 1985 report, and (b) published for comment a proposal to revise the Annual Report of Trust Assets (FFIEC 001), which, if adopted, would be effective as of the December 31, 1985 report date. Copies of the FFIEC press releases announcing these actions are enclosed.

Forms and instructions for the FFIEC 002 report will be sent to affected institutions after the Office of Management and Budget has approved the changes. Copies of the proposed FFIEC 001 report are being sent to all affected institutions; comments thereon should be sent directly to the FFIEC.

E. GERALD CORRIGAN,
President.



1776 G Street, NW, Suite 701 • Washington, DC 20006

Press Release

For immediate release

March 18, 1985

The Examination Council announced today that it has approved revisions to the quarterly Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002), effective with the September 30, 1985 report. The proposal to revise the report was published in the Federal Register on July 26, 1984, and public comments were requested. The revisions were designed to reflect changes in the supervisory and regulatory informational needs of the federal banking agencies in light of changes in banking and financial conditions and practices. The revisions also were intended to achieve, to the extent possible, definitions and formats consistent with the quarterly Reports of Condition and Income filed by insured U.S. commercial banks.

The revised report will include information on the International Banking Facilities (IBFs) of U.S. branches and agencies of foreign banks that is now reported separately. This change will permit the Federal Reserve to eliminate the current IBF report filed by these entities (FR 2074).

The Council also approved the inclusion of a schedule of commitments and contingencies (Schedule L) and a schedule of past due, nonaccrual and renegotiated loans (Schedule N) as part of the revised 002 report, together with the amount of allowance for loan losses carried on the books of the

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reporting branch or agency. The amount of the allowance will be reported as part of Schedule M, which provides other information on the reporting entity's net due from/due to related institutions in the U.S. and foreign countries.

None of the information reported in Schedule M or Schedule N will be released to be public. However, all other information included in the report will be available to the public upon request. The information reported is also provided to participating state supervisory authorities that have licensed or chartered branches or agencies of foreign banks under state law.

The Council at this time has determined not to collect information on selected income and expenses of U.S. branches and agencies of foreign banks. However the Council's Task Force on Reports will continue to study both the general rationale and specific agency proposals to collect such data from these entities. If the staff study results in development of a workable proposal to collect such information, it will be submitted to the Council. In any case, collection of selected income and expense data would not begin earlier than the March 31, 1986 report date.

The Federal Reserve Board, which collects and processes the 002 report on behalf of the Federal Deposit Insurance Corporation (for insured branches) and the Comptroller of the Currency (for federal branches), will now submit the revised report to the Office of Management and Budget (OMB) for its approval. Once OMB approval has been received, instructions and sample copies of the revised report will be available from the Federal Financial Institutions Examination Council (1776 G Street, NW, Suite 701, Washington, DC 20006) and will be distributed directly to all U.S. branches and agencies of foreign banks.



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Press Release

For immediate release

March 18, 1985

The Examination Council today approved the publication for comment of a proposal to revise the Annual Report of Trust Assets (FFIEC 001). The report is used to collect data on domestic trust services by the Federal Deposit Insurance Corporation, Board of Governors of the Federal Reserve System, Comptroller of the Currency and Federal Home Loan Bank Board. The revised report, if adopted, would be implemented as of the December 31, 1985 report date.

The Annual Report of Trust Assets is being revised to provide the minimum amount of data necessary to monitor the volume and type of trust services provided by each institution. The revised report will give the supervisory agencies better data upon which to base off-site analysis of trust departments and will facilitate the scheduling and planning of examinations.

The new data being sought by the agencies include information on nondiscretionary assets and accounts, certain details pertaining to corporate trust services and information on investment advisory activities.

Commentors are being asked particularly if consideration should be given to establishing a minimum cut-off size below which detailed information would not be required and what additions or deletions would be appropriate for the categories of discretionary assets contained in Schedule A of the report.

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Copies of the proposed revised Annual Report of Trust Assets (FFIEC 001), together with draft instructional materials and the Federal Register notice requesting public comment, are being sent to all affected banks and savings and loan associations. Copies of these materials are available to the public from the Federal Financial Institutions Examination Council, 1776 G Street, NW, Suite 701, Washington, DC 20006.