

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 10175]
June 22, 1987]

REVISION OF OPERATING CIRCULAR NO. 19

**Reporting of International Capital and Foreign Currency
Transactions and Holdings, Transfers of Credit,
and Export of Coin and Currency**

*To All Depository Institutions, International Banking
Facilities (IBFs), and Bank Holding Companies in
the Second Federal Reserve District, Puerto Rico, and
the Virgin Islands, and to All Brokers, Dealers, and
Nonbanking Financial, Business, and Commercial Concerns
That Are Subject to the Jurisdiction of the United States:*

Enclosed is a copy of Operating Circular No. 19, revised effective June 22, 1987, entitled "Reporting of International Capital and Foreign Currency Transactions and Holdings, Transfers of Credit, and Export of Coin and Currency." The revised operating circular supersedes the August 4, 1981 edition. All substantive changes have previously been made known to respondents in letters from the Department of the Treasury or this Bank. For your convenience, the principal changes are summarized below.

Improved coverage of data

- (a) Separate reporting requirements have been established for International Banking Facilities (IBFs) for their reportable data on the TIC B and S series forms. IBFs are required to consolidate their reportable data with those of their establishing institutions for TFC Form FC-1.
- (b) The status of savings and loan associations has been reclassified to require that their data be reported on the TIC B series rather than on the C series.
- (c) Treasury International Capital Form BL-3, a new form, entitled "Intermediary's Notification of Foreign Borrowing Denominated in U.S. Dollars," has been added to the B series.

Changes in exemption levels

- (a) The exemption level for the TIC B series has been raised to \$15 million. In addition, the averaging requirement was removed so that reports are to be filed for the remainder of the calendar year once the minimum filing requirement has been met.
- (b) The exemption levels for the CQ-1 and CQ-2 forms have been raised to \$10 million, and the averaging requirement was removed. The current exemption limits apply to the reporter's consolidated data, thereby ending the option to apply the exemption level separately to each branch or subsidiary.
- (c) The exemption levels for the TFC forms have been revised to \$100 million equivalent and apply to the respondent's consolidated data, ending the option to apply the exemption level separately to each branch or subsidiary. The "100 employee rule" has been eliminated from the FC-3 and FC-4 Forms.

(OVER)

Other changes

(a) The monthly TFC Forms FC-1a and FC-2a have expired and have been replaced by a single form, FFIEC 035, being collected by the Comptroller of the Currency.

(b) Legal references have been updated where necessary.

Questions regarding any of the changes may be directed to Gary M. Bertone of our International Reports Division, Statistics Department (Tel. No. 212-720-7993). Additional copies of the operating circular will be furnished upon request directed to our Circulars Division (Tel. No. 212-720-5216 or 5215).

E. GERALD CORRIGAN,
President.

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Operating Circular No. 19
Revised effective June 22, 1987]

**REPORTING OF INTERNATIONAL CAPITAL AND FOREIGN
CURRENCY TRANSACTIONS AND HOLDINGS, TRANSFERS
OF CREDIT, AND EXPORT OF COIN AND CURRENCY**

*To All Depository Institutions,¹ International Banking
Facilities (IBFs), and Bank Holding Companies in
the Second Federal Reserve District, Puerto Rico, and
the Virgin Islands, and to All Brokers, Dealers, and
Nonbanking Financial, Business, and Commercial Concerns
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 depository institutions, International Banking Facilities (IBFs) and bank holding companies within the Second Federal Reserve District, Puerto Rico, and the Virgin Islands,² and (b) by brokers, dealers, nonbanking financial, business and commercial 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 the Bretton Woods Agreements Act, 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 Order No. 10033, the International Investment Survey Act of 1976, and Title II of Public Law 93-110.

¹Depository institutions are defined as commercial banks; banking Edge Act and Agreement Corporations; branches, agencies, and banking subsidiaries of foreign banks; building or savings and loan associations; mutual or stock savings banks; cooperative banks; credit unions; homestead associations; and consumer banks.

²In 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 and the Virgin Islands.

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 this Bank.

Alternative methods of reporting

Data required to be filed with this Bank as prescribed on the forms specified in paragraph 6 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 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 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 this Bank. The use of such methods shall not affect the timely filing of reports prescribed in paragraph 6 of Part I and paragraph 3 of Part II, nor the exemptions specified in paragraph 8 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 August 4, 1981.

E. GERALD CORRIGAN,
President.

PART I

TREASURY INTERNATIONAL CAPITAL REPORTS

Executive Order No. 10033 and determinations thereunder

1. Executive Order No. 10033, dated February 8, 1949, among other things, authorizes (a) the National Advisory Council on International Monetary and Financial Problems³ 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 Budget⁴ to determine what Federal executive agency shall collect such infor-

³Name changed, effective January 1, 1966, to "National Advisory Council on International Monetary and Financial Policies."

⁴Name changed, effective July 1, 1970, to "Office of Management and Budget."

mation. The text of the Order is published in the Code of Federal Regulations (3 CFR 1949-1953 Comp., p. 226).

2. 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-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.

3. 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

4. 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

5. The regulations of the Secretary of the Treasury issued pursuant to the above-mentioned Executive Order 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) require (1) all banks and banking institutions subject to the jurisdiction of the United States engaging in any transaction in foreign exchange, any transfer of credit between any person within the United States and any person outside of the United States, or in the export or withdrawal from the United States of any currency or coin which is legal tender in 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 and banking institutions, engaging in such transactions, to furnish to the Federal Reserve Bank of New York,⁵

(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

(b) 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 8 of this Part sets forth certain exemptions from the reporting requirements), and permit the use of alternative methods of reporting on media that should 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

6. 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-2, BL-3 and BC*: Not later than the 15th day following the end of the month covered by the reports.

(b) *Quarterly reports on Forms BQ-1 and BQ-2*: 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 CQ-1*: Not later than 30 days following the last day of the calendar quarter to which the report applies. If complete accounting records are not available to the corporate treasurer or other financial officer for the report to be prepared within 30 days, a preliminary estimated report should be submitted on the basis of available records, to be followed within an additional 30 days by a final report.

(e) *Quarterly reports on Form CQ-2*: Not later than 45 days following the last day of the calendar quarter to which the report applies.

(f) *Monthly reports on Form CM*: Not later than 30 days following the last day of the month to which the report applies.

⁵If any person required to report has no principal place of business within a Federal Reserve District, the information specified in subparagraph 5(a) of this Part shall be furnished to the Department of the Treasury or to such agency as that Department may designate.

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

(h) *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).

(i) *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

7. All banks and other depository institutions (including commercial banks; banking Edge Act and Agreement Corporations; branches, agencies, and banking subsidiaries of foreign banks; building or savings and loan associations; mutual or stock savings banks; cooperative banks; credit unions; homestead associations; and consumer banks), International Banking Facilities (IBFs), bank holding companies, brokers and dealers, nonbanking financial, business and commercial concerns and nonprofit institutions located in the United States are required to report, except as specified in paragraph 8 of this Part.

(a) Head offices of banks and other depository institutions should file, with the Federal Reserve Bank of the District in which such bank or other depository institution has its principal place of business, consolidated reports that include the reportable amounts of their branches and all subsidiaries in the United States, other than their IBFs and Edge Act or Agreement Corporation subsidiaries *engaged in banking*. IBFs should file separate reports with the Federal Reserve District where the IBF is located. The Edge Act or Agreement Corporation subsidiary *engaged in banking* should file separate reports with the Federal Reserve Bank of the District in which it is located covering the home office and all its domestic subsidiaries. Each domestic branch of an Edge Act or Agreement Corporation *engaged in banking* should file a separate report with the Federal Reserve Bank of the District in which the branch is located. A bank holding company should file, with the Federal Reserve Bank of the District where the holding company is located, consolidated reports including only the data of its domestic nonbanking and financing subsidiaries.⁶

(b) Head offices of brokers or dealers should file, with this Bank, consolidated reports that include the reportable amounts of their branches and nonbanking subsidiaries in the United States.⁶

(c) Head offices of nonbanking financial, business and commercial concerns and nonprofit institutions should file, with this Bank, consolidated reports that include the reportable amounts of all their branches, partnerships and subsidiaries in the United States.

⁶*Exception*: Any bank, other depository institution, IBF, bank holding company, broker or dealer filing Form BL-3 must notify both the U.S. nonbank borrower and the Federal Reserve Bank of New York using this form.

Exemptions from reporting requirements

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

(a) *Form BL-1*: A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Form BL-1 for the first month-end on which its reportable liabilities to "foreigners," payable in dollars, aggregate \$15 million or more, and must continue to report for the remainder of the calendar year regardless of the total amount of its reportable liabilities.

Banks, other depository institutions, bank holding companies, brokers or dealers having branches and nonbanking subsidiaries in the United States may apply the \$15 million exemption limit separately to each branch and nonbanking subsidiary.

(b) *Form BL-1 (SA)*: Banks, other depository institutions, IBFs, bank holding companies, 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 applicable to this form.

(c) *Form BL-2*: A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Form BL-2 for the first month-end on which its reportable custody liabilities to "foreigners," payable in dollars, aggregate \$15 million or more, and must continue to report for the remainder of the calendar year regardless of the total amount of its reportable custody liabilities.

Banks, other depository institutions, bank holding companies, and brokers or dealers having branches and nonbanking subsidiaries in the United States may apply the \$15 million exemption limit separately to each branch and nonbanking subsidiary.

(d) *Form BL-2 (SA)*: Banks, other depository institutions, IBFs, bank holding companies, 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 BL-3*: A bank, other depository institution, IBF, bank holding company, broker or dealer which *knows* that it is being used as the U.S. address of "foreigners" in connection with the servicing of their loans to nonbank borrowers in the United States must report on Form BL-3 the initial drawing of the foreign U.S. dollar borrowing it elects to *exclude* from its report on Form BL-2 as a custody liability when the total of its custody liabilities (including the foreign U.S. dollar borrowing) aggregates at least \$15 million as of the month-end in which the borrowing is drawn and outstanding. Form BL-3 must then be filed for the *initial* draw-down of each such borrowing that amounts to at least \$1 million and that will be outstanding at the end of the calendar quarter.

(f) *Form BC*: A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Form BC for the first month-end on which its reportable claims on "foreigners," payable in dollars, aggregate \$15 million or more, and must continue to report for the remainder of the calendar year regardless of the total amount of its reportable claims.

Banks, other depository institutions, bank holding companies, brokers or dealers having branches and nonbanking subsidiaries in the United States may ap-

ply the \$15 million exemption limit separately to each branch and nonbanking subsidiary.

(g) *Form BC (SA)*: Banks, other depository institutions, IBFs, bank holding companies, brokers and dealers 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.

(h) *Form BQ-1*: (1) A report as of any one quarter end on Part 1 of this form with respect to its own claims on "foreigners," payable in dollars, need not be filed by a bank, other depository institution, IBF, bank holding company, broker or dealer who was not required to report on Form BC as of the same quarter-end month.

(2) A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Part 2 of this form for the first quarter end on which its claims on "foreigners," payable in dollars, held for domestic customers aggregate \$15 million or more and for the remaining quarter ends in the calendar year regardless of the total amount of such claims. Reporters having branches and nonbanking subsidiaries in the United States may apply the \$15 million exemption limit to each branch and nonbanking subsidiary.

Reports are required only for that part of the form for which the reportable items exceed the reporting level.

(i) *Form BQ-2*: (1) A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Part 1 of this form for the first quarter end on which its reportable liabilities to, or claims on, "foreigners" for its own account, payable in foreign currencies, aggregate \$15 million or more and for the remaining quarter ends in the calendar year regardless of the total amount of its reportable liabilities or claims.

(2) A bank, other depository institution, IBF, bank holding company, broker or dealer must file a report on Part 2 of this form for the first quarter end on which its reportable claims on "foreigners" held on behalf of domestic customers, payable in foreign currencies, aggregate \$15 million or more and for the remaining quarter ends in the calendar year regardless of the total amount of such claims.

Reporters having branches and nonbanking subsidiaries in the United States may apply the \$15 million exemption limits to each branch and nonbanking subsidiary.

Reports are required only for that part of the form for which reportable items exceed the exemption level.

(j) *Form CQ-1*: A nonbanking financial, business and commercial enterprise or nonprofit institution or other United States "person" must file a report on Form CQ-1 for any quarter end on which its reportable financial liabilities to, or financial claims on, unaffiliated "foreigners" aggregate \$10 million or more.

A report with respect to financial liabilities to unaffiliated "foreigners" (Part 1) as of the end of any quarter need not be filed by any United States "person," otherwise required to report, if the grand total of its financial liabilities to unaffiliated "foreigners" for its own account and for the account of other U.S. persons amounted to less than \$10 million as of the report date. Similarly, a report with respect to financial claims on unaffiliated "foreigners" (Part 2) need not be filed by

a United States "person," otherwise required to report, if the grand total of its financial claims on unaffiliated "foreigners" for its own account and for the account of other U.S. persons amounted to less than \$10 million as of the report date.

Reports are required only for that part of the form for which the reportable items exceed the exemption level.

(k) *Form CQ-2*: A nonbanking financial, business and commercial enterprise or nonprofit institution or other United States "person" must file a report on Form CQ-2 for any quarter end on which its reportable commercial liabilities to, or claims on, unaffiliated "foreigners" aggregate \$10 million or more.

A report with respect to commercial liabilities to unaffiliated "foreigners" (Part 1) as of the end of any quarter need not be filed by any United States "person," otherwise required to report, if the grand total of its commercial liabilities to unaffiliated "foreigners" for its own account and for the account of other U.S. persons amounted to less than \$10 million as of the report date. Similarly, a report with respect to commercial claims on unaffiliated "foreigners" (Part 2) need not be filed by any United States "person," otherwise required to report, if the grand total of its commercial claims on unaffiliated "foreigners" for its own account and for the account of other U.S. persons amounted to less than \$10 million as of the report date.

Reports are required only for that part of the form for which reportable items exceed the exemption level.

(l) *Form CM*: A report with respect to the United States dollar deposit and certificate of deposit claims on banks abroad need not be filed by a U.S. "person," otherwise required to report, if the grand total of such deposit claims for its own account and for the account of other U.S. persons amounted to less than \$10 million as of the end of the month covered by the report.

(m) *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 its 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:⁷

(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) *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.)

(c) *Monthly consolidated reports on Form FC-3*: Not later than 30 days following the last calendar day of the month to which the report applies.

(d) *Quarterly consolidated reports on Form FC-4*: Not later than 60 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 non-

⁷Treasury Forms FC-1a and FC-2a expired on September 30, 1983 and were replaced with one form, FFIEC 035, which is collected by the Office of the Comptroller of the Currency. For reporting requirements, contact that Office.

banking business concerns, and nonprofit institutions; and all United States persons 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, 12 U.S.C. 1843(c)(12), an irrevocable declaration that they will cease to be a bank holding company, or have received an exemption under Section 4(d) of the Act, 12 U.S.C. 1843(d), 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, consolidated reports that include the reportable amounts of all their branches, their International Banking Facilities (IBFs) and all subsidiaries in the United States. (The report should be filed by the highest entity, usually the bank holding company.)

(b) Each head office of a United States bank, or banking institution that has branches or majority-owned subsidiaries located abroad, should file a consolidated report covering the reportable items of all its branches and subsidiaries abroad with the Federal Reserve Bank of the District in which the bank, or banking institution is located. In cases in which the majority ownership of a subsidiary abroad 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 with the Federal Reserve Bank of the District in which it is located. If equal shares are held by the United States banks, the reports should be filed by one of the United States banks, chosen by agreement among the banks involved. (The report should be filed by the highest entity, usually the bank holding company.)

(c) All United States nonbanking business concerns 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 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 ex-

change contracts bought, and foreign exchange contracts sold, each is less than \$100 million. If, however, the U.S. dollar equivalent value of any one of these categories is \$100 million or more in any specified foreign currency, the entire line for each such currency must be reported.

(b) *Form FC-2*: 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 \$100 million. If, however, the U.S. dollar equivalent value of any of these categories is \$100 million or more in any specified foreign currency, the entire line for each such currency must be reported. In addition, the line for "United States dollars held or owed by offices located outside the United States" must be reported with respect to all foreign branches or subsidiaries included in the consolidation of any specified foreign currency line.

(c) *Form FC-3*: A report as of any month-end need not be filed for a specified foreign currency if the U.S. dollar equivalent value of *each* of the categories stated in the column headings (e.g., assets through net overall position) for that currency is less than \$100 million. If, however, the dollar equivalent value of *any* of the categories denominated in a specified foreign currency is \$100 million or more, the entire line for that currency must be reported.

(d) *Form FC-4*: A report as of the end of any calendar quarter need not be filed for a specified foreign currency if the U.S. dollar equivalent value of *each* of the categories stated in the column headings (e.g., assets through net overall position) for that currency is less than \$100 million. If, however, the dollar equivalent value of *any* of the categories denominated in a specified foreign currency other than the U.S. dollar is \$100 million or more, the entire line of that currency must be reported. In addition, the line for "United States dollars held or owed by offices located outside the United States" must be reported with respect to all foreign branches, partnerships, or subsidiaries included in the consolidation of any specified foreign currency.

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.

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 — REPORTING OF INTERNATIONAL CAPITAL AND
FOREIGN CURRENCY TRANSACTIONS AND HOLDINGS,
TRANSFERS OF CREDIT, AND EXPORT OF COIN
AND CURRENCY**

SUBPART A — REGULATIONS

Sec.

- 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 and selected liabilities of broker or dealer 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 and selected claims of broker or dealer on "foreigners," payable in dollars.
- 128.11c International Capital Form BL-3: Intermediary's notification of foreign borrowing denominated in U.S. dollars.
- 128.12 International Capital Form BQ-1: Part 1 — Reporting bank's own claims and selected claims of broker or dealer on "foreigners"; Part 2 — Domestic customers' claims on "foreigners" held by reporting bank, broker or dealer, payable in dollars.

- 128.12a International Capital Form BQ-2: Part 1 — Liabilities to, and claims on, “foreigners” of reporting bank, broker or dealer; Part 2 — Domestic customers’ claims on “foreigners” held by reporting bank, broker or dealer, payable in foreign currencies.
- 128.14 International Capital Form BL-1(SA): Reporting bank’s own liabilities and selected liabilities of broker or dealer 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 and selected claims of broker or dealer on “foreigners,” payable in dollars, in countries not listed separately on Form BC.
- 128.15 International Capital Form CM: Dollar deposit and certificate of deposit claims on banks abroad.
- 128.16 International Capital Form CQ-1: Financial liabilities to, and claims on, unaffiliated “foreigners.”
- 128.16a International Capital Form CQ-2: Commercial liabilities to, and claims on, unaffiliated “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. 8(a), 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. 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.

- 128.33 Foreign Currency Form FC-2: Weekly 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. 5315).

SUBPART A — REGULATIONS

§ 128.2 *Reports.* (a) In order to effectuate the purposes of the International Investment Survey Act of 1976 (90 Stat. 2059, 22 U.S.C. 3101 *et seq.*), 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 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 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, 31 U.S.C. 5315), 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 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 (International Affairs), Department of the Treasury, Washington, D.C. 20220 or to such agency as the Department of the Treasury may designate.

[Pub. L. 79-171, 59 Stat. 515 (22 U.S.C. 286f); Title II, Pub. L. 93-110, 87 Stat. 352 (31 U.S.C. 5315); Pub. L. 94-472, 90 Stat. 2059 (22 U.S.C. 3103)]

§ 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 applicable law. 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.* and may furnish to the Federal Reserve District Banks data reported on forms required under Subpart C.

§ 128.4 *Penalties.* (a) Whoever willfully fails to submit a report required under Subpart B may be criminally prosecuted and upon conviction fined not more than \$10,000, or, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, 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.

[Pub. L. 93-110, 87 Stat. 352 (31 U.S.C. 5321) Pub. L. 94-472, 90 Stat. 2063 (22 U.S.C. 3105)]

§ 128.5 *Modification or revocation.* The regulations in this part may be modified or revoked at any time.

SUBPART B — DESCRIPTION OF FORMS PRESCRIBED UNDER THIS SUBPART¹

§ 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 (International Affairs), Department of the Treasury, Washington, D.C. 20220.

§ 128.11 *International Capital Form BL-1: Reporting bank's own liabilities and selected liabilities of broker or dealer 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 and selected claims of broker or dealer on "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 claims on "foreigners," payable in dollars, as of the last day of business of each month.

§ 128.11c *International Capital Form BL-3: Intermediary's notification of foreign borrowing denominated in U.S. dollars.* On this form any intermediary in the United States which knows that it is being used as the U.S. address of "foreigners" in connection with the servicing of their U.S. dollar loans to nonbank borrowers in the United States is required to notify its nonbanking customer in the United States and the Federal Reserve Bank of New York of that nonbanking customer's obligation to report borrowings from foreigners on Treasury International Capital (TIC) Form CQ-1 if the intermediary does not exercise its option to report the outstanding borrowings on TIC Form BL-2.

§ 128.12 *International Capital Form BQ-1: Part 1 — Reporting bank's own claims and selected claims of broker or dealer on "foreigners"; Part 2 — Domestic customers' claims on "foreigners" held by reporting bank, broker or dealer, payable in dollars.* On this form banks, banking institutions, brokers and dealers in the United States are required to report quarterly, as of the last

¹The specific reporting requirements contained in this subpart have been approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1980.

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: Part 1 — Liabilities to, and claims on, "foreigners" of reporting bank, broker or dealer; Part 2 — Domestic customers' claims on "foreigners" held by reporting bank, broker or dealer, payable in foreign currencies.* On this form banks, banking institutions, brokers and dealers 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.

§ 128.14 *International Capital Form BL-1(SA): Reporting bank's own liabilities and selected liabilities of broker or dealer 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 and selected claims of broker or dealer on "foreigners," payable in dollars, in countries not listed separately on Form BC.* 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 claims on "foreigners" payable in dollars in countries not listed separately on Form BC.

§ 128.15 *International Capital Form CM: Dollar deposit and certificate of deposit claims on banks abroad.* On this form exporters, importers, industrial and commercial concerns and other nonbanking persons in the United States are required to report monthly, as of the last business day of the month, to the Federal Reserve Bank of New York their U.S. dollar deposit and certificate

of deposit claims on banks located abroad held in their name or held for their account in banks abroad by U.S. or foreign custodians.

§ 128.16 *International Capital Form CQ-1: Financial liabilities to, and claims on, unaffiliated "foreigners."* On this form exporters, importers, industrial and commercial concerns and other nonbanking persons in the United States are required to report quarterly as of the last business day of each March, June, September and December, to the Federal Reserve Bank of New York their financial liabilities to, and claims on, unaffiliated "foreigners" acquired or held, either in the United States or abroad, by reporters for their own account or for the account of others.

§ 128.16a *International Capital Form CQ-2: Commercial liabilities to, and claims on, unaffiliated "foreigners."* On this form exporters, importers, industrial and commercial concerns and other nonbanking persons in the United States are required to report quarterly as of the last business day of each March, June, September and December, to the Federal Reserve Bank of New York their commercial liabilities to, and claims on, unaffiliated "foreigners" acquired or held either in the United States or abroad, by reporters for their own account or for the account of others.

§ 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 Department of the Treasury, 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 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 any Federal Reserve bank or from the Office of the Assistant Secretary (International Affairs), 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 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.

§ 128.33 *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 are required to report weekly to a Federal Reserve bank the consolidated 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.

§ 128.35 *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 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 firms and nonprofit institutions in the United States are required to report quarterly to the Federal Reserve Bank of New York the consolidated assets, liabilities, and 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.

FEDERAL RESERVE BANK
OF NEW YORK

At-Cir. No. 10175

June 9, 1987

*To All Banking Institutions in the
Second Federal Reserve District:*

We are pleased to announce that MELLON SECURITIES TRUST COMPANY, NEW YORK, N. Y., a limited service trust company, was admitted to membership in the Federal Reserve System on June 1, 1987. The capital stock of the bank is \$500,000, and its surplus is \$700,000.

Officers of the bank are:

GERVASIO A. DECHAVES	<i>President and Chief Executive Officer</i>
LAWRENCE W. RINNE	<i>Vice President</i>
WILLIAM F. LACKNER	<i>Vice President</i>
DONALD P. HENCZEL	<i>Treasurer</i>
JANET BRENDEL	<i>Secretary</i>

The routing number of the bank is $\frac{1-1089}{260}$, encoded 0260-1089, check digit 6.

E. GERALD CORRIGAN,
President.