

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045-0001

AREA CODE 212-720-5000

September 30, 1999

To: The Chief Executive Officer of Each U.S. Branch and Agency of a Foreign Bank Located in the Second Federal Reserve District

Enclosed are copies of forms for the following reports for the quarter ending September 30, 1999:

- Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002); and
- Supplemental Report of Assets and Liabilities of a Non-U.S. Branch that is Managed or Controlled by a U.S. Branch or Agency of a Foreign (Non-U.S.) Bank (FFIEC 002S).

FFIEC 002/002S

There are no changes to the FFIEC 002 or FFIEC 002S reporting forms or instructions for September 30, 1999.

An original and one copy of the completed FFIEC 002 and FFIEC 002S report(s) (if applicable) must be returned to this Bank, by mail or messenger, no later than November 1, 1999. Any FFIEC 002/002S reports received after 5:00 p.m. on November 1 will be considered late unless postmarked by October 29 or sent by overnight service by October 31. Complete reports should be submitted to:

**Federal Reserve Bank of New York  
Statistics Function  
33 Liberty Street, 4th Floor  
New York, NY 10045**

Reporting of Loan Commitments

It has come to our attention that some financial institutions are not correctly reporting their loan commitments on the date when the commitment is entered into. All commitments should be reported on the Off-Balance Sheet Schedule (Schedule L) of the FFIEC 002 on the date when the legally binding commitment document has been entered (e.g., on the date the commitment letter is signed). This reporting treatment is unaffected by contracts that contain material adverse change clauses or other provisions that are intended to relieve the issuer of its funding obligations under certain conditions and regardless of whether they are unconditionally cancelable at any time. In determining when to report loan commitments, the timing of the collection or receipt of the related consideration (e.g., fees, PIK securities, other consideration) should not be the sole determining factor.

In addition, all participations in acceptances conveyed to others by the reporting institution and those acquired by the reporting (nonaccepting) institution should be reported on Schedule L of the FFIEC 002. The full amount of the participation (the amount the institution is legally committed to at the report date) should be reported regardless of the nature of the participation agreement and regardless of the system of debits and credits used to reflect the agreement of the reporting (accepting or nonaccepting) institution's books.

#### Recent Disclosure of Confidential Data

The Federal Reserve recently uncovered a problem with the program that creates publicly available computer files of data from the FFIEC 002. As a result of the programming problem, some confidential items from Schedules M and N were inadvertently included in the public data files over the past few years. Although we believe that these data items are not considered by respondents to be the type that would have a market impact, the Federal Reserve takes seriously its responsibility to prevent disclosure of confidential data, has taken corrective action, and apologizes for the mistake. If you have any questions, please contact Anthony Pietrangolare at (212) 720-8591 or me at (212) 720-8590.

## Reporting Revisions for Year 2000

To assist you in planning for the year 2000, the Federal Financial Institutions Examination Council (FFIEC) and the banking agencies are pleased to advise you that they do not currently plan to add any new items to or delete any existing items from the FFIEC 002 or FFIEC 002S next year.

### Electronic Submission Option

Electronic submission of the FFIEC 002/002S reports are available to all U.S. branches and agencies. We encourage you to take advantage of this method of reports submission. A vendor has developed a software package that provides the means to the FFIEC 002/002S electronically. Submitting reports electronically using the software package provides the following key benefits:

A timely and efficient alternative to sending the report forms by mail;

Data are checked automatically for miscalculated totals and blank fields; and

A printed report is generated that can serve as your institution's permanent record of the report.

For information on filing the FFIEC 002/002S report electronically, please contact Alex Santana at (212) 720-6357.

### Website

The FFIEC 002/002S forms and instructions are available on the FFIEC web site at [http://www.ffiec.gov/ffiec\\_report\\_forms.htm](http://www.ffiec.gov/ffiec_report_forms.htm).

Questions regarding these reports should be directed to Susan Jessop at (212) 720-1561 or Andrew Bain, Team Leader in the Regulatory Reports Division at (212) 720-1317.

Sincerely,

\*\*Signed by Kenneth P. Lamar

Kenneth P. Lamar  
Assistant Vice President  
Statistics Function

