April 1, 2008

TO: The Chief Executive Officer of Each State Member Bank
Located in the Second Federal Reserve District

As part of the joint mailing with other supervisory agencies, state member banks received their Report of Condition and Income materials for the March 31, 2008 report date from the Federal Financial Institutions Examination Council. The agencies are not sending a sample set of the March 31, 2008, report forms to banks.

Please plan to complete the preparation, review, and submission of your Call Report data to the Central Data Repository (CDR) as early as possible. Starting your preparation early will aid you in identifying and resolving any edit exceptions prior to the submission deadline.

As the Federal Financial Institutions Examination Council (FFIEC) previously advised you, certain revisions to the Call Report are scheduled to be implemented as of March 31, 2008, although the reporting of certain new items will be optional for this initial report date and will be required beginning June 30, 2008 (see FIL-13-2008, dated February 20, 2008). All of the reporting changes have been approved by the U.S. Office of Management and Budget. The revisions include a number of reporting changes that have been undergoing a phased-in implementation that began in March 2007. For the March 31, 2008, report date, banks may provide reasonable estimates for any new or revised Call Report item required to be reported as of that date for which the requested information is not readily available. This same policy on the reporting of reasonable estimates will apply as of June 30, 2008, to the new items that are optional in March 2008.
The reporting changes whose phased-in implementation will be completed as of March 31, 2008, include the reporting by all banks of two-way breakdowns of real estate construction loans and nonfarm nonresidential real estate loans in a number of Call Report schedules. In addition, the revised format for Schedule RC-O, Other Data for Deposit Insurance and FICO Assessments, which was introduced in March 2007, will be fully implemented in the March 2008 Call Report. During 2007, banks could submit either the original or the revised format of Schedule RC-O for deposit insurance assessment base measurement purposes. The use of the original format has now been eliminated.

The remaining March 2008 reporting changes, which in many cases apply only to certain banks, involve new data items on:

- 1-4 family residential mortgage loans (interest and fee income; the quarterly average; restructured troubled mortgages; loans in process of foreclosure; originations, purchases, and sales of open-end mortgages and related noninterest income; and mortgage repurchases and indemnifications);

- Loans and other assets and liabilities accounted for under a fair value option and related net gains (losses) recognized in earnings;

- Fair value measurements; and

- Securities, loans, and other assets and liabilities held for trading.

Please refer to the March 2008 Call Report forms and instruction book update for information on the new data items that are optional in March and required in June.

In addition, the threshold for reporting significant items of other noninterest income and expense in Schedule RI-E, Explanations, has been modified. Also, the Call Report's trading account definition has been modified in response to the creation of a fair value option in generally accepted accounting principles. Other instructional revisions apply to the reporting of fully insured brokered deposits in Schedule RC-E, Deposit Liabilities, and credit derivative data in Schedule RC-R, Regulatory Capital.

**Report Submission**

Except for certain banks with foreign offices, a completed Call Report must be submitted electronically to the CDR no later than **Wednesday, April 30, 2008**. However, banks with more than one
foreign office must electronically transmit its Call Report data to CDR no later than **Monday, May 5, 2008**. To be considered timely, the report must pass FFIEC-published validity edits and quality edits, or where necessary, contain explanations for any quality edits that are not passed. Explanatory comments should be prepared consistent with the “Guidelines for Resolving Edits” that are published on the FFIEC’s web site: http://www.ffeic.gov/find/documents/resolvingedits.pdf

Please note that the timeliness of receipt of the Call Report will be monitored. Any report at the CDR after 5:00 p.m. on April 30 will be considered late.

The staff of this bank will monitor whether banking organizations are meeting their basic reporting requirements through the use of validity edits.

Each bank must file its March 31, 2008, Call Report data in one of the following two ways:

- A bank may use computer software to prepare and edit its report data and then electronically submit the data directly to the CDR (https://cdr.ffiecgov/cdr/).

- A bank may complete its report in paper form and arrange with a software vendor or another party to convert its paper report into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank’s Call Report data file to the CDR.

**Website**

Report forms and instructions for the Call Report can be obtained from the FFIEC internet website at the following address: www.ffiec.gov/ffiec_report_forms.htm. In addition, we have enclosed a copy of the supplemental instructions for your review.

Any questions about this report may be directed to Oscar Torres, Reports Analyst in the Regulatory Reports Division at (212) 720-6796 or Vadim Tovshteyn, Team Leader of that Division at (212) 720-8465.

Sincerely,

-- Signed by Kenneth Lamar --

Kenneth P. Lamar
Senior Vice President
Financial Reports Department