

FEDERAL RESERVE BANK *of* NEW YORK

33 LIBERTY STREET, NEW YORK, NY 10045-0001

RICHARD MOLLOY
STATISTICS OFFICER

December 31, 2010

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 Consolidated Report of Condition and Income (“Call Report”) materials for the December 31, 2010 report date from the Federal Financial Institutions Examination Council (“FFIEC”). The agencies are not sending a sample set of the December 31, 2010 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.

For banks participating in the Federal Deposit Insurance Corporation's (“FDIC”) Transaction Account Guarantee (“TAG”) Program, which expires on December 31, 2010, the basis for calculating assessments has changed from quarter-end balances in TAG-eligible accounts to average daily balances in such accounts, effective July 1, 2010. Thus, participating banks must report the total dollar amount and number of TAG-eligible accounts as average daily balances in Schedule RC O, Memorandum items 4.a and 4.b, in this quarter's Call Report. Further information on these revised TAG Program reporting requirements is available on the FDIC's Web site:

<http://www.fdic.gov/regulations/resources/TLGP/tagp-programReportingGuidance.pdf>

Section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) provides temporary unlimited insurance coverage to noninterest-bearing transaction accounts at all FDIC-insured institutions. The separate coverage for these accounts becomes effective on December 31, 2010, and ends on December 31, 2012, and it will replace the FDIC's TAG program. However, the Dodd-Frank Act defines the noninterest-bearing transaction accounts eligible for this unlimited insurance protection more narrowly than under the FDIC's TAG program regulations. Banks must begin to report the quarter-end dollar amount and number of noninterest-bearing transaction accounts (as defined in the Dodd-Frank Act) of more than \$250,000 in new Memorandum items 5.a and 5.b of Schedule RC O. The Dodd-Frank Act defines these accounts as only traditional noninterest-bearing transaction accounts. The instructions for reporting this new information are included in the Call Report instruction book

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update for December 2010. The update also includes revised instructions for reporting estimated uninsured deposits in Schedule RC O, Memorandum item 2, that reflect the temporary unlimited insurance coverage provided by Section 343. The instructions for Schedule RC O, Memorandum items 5.a and 5.b, and revised instructions for Memorandum item 2 are available on the FFIEC's Website:

(http://www.ffiec.gov/ffiec_report_forms.htm)

Effective this quarter, data on reverse mortgages must be reported in new Memorandum items 15.a through 15.c of Schedule RC C, part I, and items 1.a.(1) and 1.a.(2) of Schedule RC-L. This information will be collected annually as of December 31. The instructions pertaining to these new reverse mortgage items were issued earlier this year in the Call Report instruction book update for March 2010.

As the FFIEC previously advised you, all banks are reminded to report the amount of their preferred deposits (Memorandum item 1.e of Schedule RC E). This information is collected only as of the December 31 report date each year. Banks that have fiduciary or related activities (in the form of assets or accounts), either at the bank itself or in a trust company subsidiary, should ensure that they complete the appropriate items in revised Schedule RC T. The specific items to be completed in Schedule RC T are determined by a bank's total fiduciary assets as of December 31, 2009, or its gross fiduciary and related services income in 2009.

Report Submission

Except for certain banks with foreign offices, a completed Call Report must be submitted electronically to the CDR no later than **Sunday, January 30, 2011**. However, banks with more than one foreign office must electronically transmit its Call Report data to CDR no later than **Friday, February 4, 2011**. 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 January 30th 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.

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Each bank must file its December 31, 2010, 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.ffiec.gov/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 Jamie Ferkov, Reports Analyst in the Regulatory Reports Division at (212) 720-1862 or Monica Posen, Team Leader of that Division at (212) 720-8239.

Sincerely,

- Signed by Richard Molloy -

Richard Molloy
Statistics Officer

Enclosure