

FEDERAL RESERVE BANK *of* NEW YORK

33 LIBERTY STREET, NEW YORK, NY 10045-0001

April 14, 2011

To: The FR Y-7 Contact at the Addressed Foreign Banking Organization:

The Board of Governors of the Federal Reserve System, under delegated authority from the Office of Management and Budget (OMB), revised the instructions for preparation of the Annual Report of Foreign Banking Organizations (FR Y-7), beginning with the December 31, 2010 fiscal year end. The FR Y-7 report form was not revised.

The FR Y-7 reporting instructions have been updated to clarify that the top-tier FBO should use the same currency (either local currency or U.S. Dollar) in reporting the amounts in both its worldwide business activities and banking business activities in Report Item 4: Eligibility as a Qualified Foreign Banking Organization (QFBO).

The reporting form and revised instructions may be accessed by selecting the FR Y-7 reporting form from the "Forms by number" pull-down menu at:

<http://www.federalreserve.gov/boarddocs/reportforms/default.cfm>.

An RSSD Tiering Report for your organization is included to assist you with reviewing your information and preparing the FR Y-7 report. The RSSD Tiering Report is generated from our database and depicts your company's organizational structure as of November 30, 2010. It is recommended that each reporter review the structure information on record for your organization, prior to submitting the FR Y-7 report. This package also includes guidance on how to review the tiering report. If your records differ from the tiering report, please file a Report of Changes in Organizational Structure (FR Y-10) if a change has not been reported or has been reported incorrectly. Alternatively, please contact us if we have recorded a previously reported event incorrectly. If you have reported organizational changes during December and would like a tiering report as of December 31, 2010, please contact Han Park, Reports Analyst, at (212) 720-8372 or han.park@ny.frb.org by February 21, 2011.

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The FR Y-7 must be filed with the Federal Reserve Bank of New York no later than four months after the foreign banking organization's fiscal year end. If this deadline cannot be met for all sections of the report, a request for a filing extension must be submitted no later than 30 calendar days before the submission deadline. Requests for a filing extension must include a business related explanation.

Please submit an original report and three copies of the completed FR Y-7 report to:

Mr. Kenneth Aberbach, Staff Director
Banking Structure Division, 4th Floor
Statistics Function
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

Questions regarding the submission of the FR Y-7 should be directed to Judy Ekwughalu, Team Leader, at (212) 720-6760 or judy.ekwughalu@ny.frb.org, or Kenneth Aberbach, Staff Director, at (212) 720-8234 or kenneth.aberbach@ny.frb.org.

Enclosures: RSSD Tiering Report Review Guidelines for Foreign Banking Organizations
RSSD Tiering Report

Tier Report Review Guidelines for Foreign Banking Organizations

An annual review of the Tier Report is advised in conjunction with the preparation of the Annual Report of Foreign Banking Organizations (FR Y-7). The Tier Report contains structure information as of November 30, 2010. It is important to note that this report should reflect only those entities that meet the reporting criteria of the Report of Changes in Organizational Structure (FR Y-10), with the exception of reportable merchant banking investments.

General Information

- ❖ The name of the top-tier FBO is displayed as part of the header on page 1 of the report, along with the as-of-date of the data on the report.
- ❖ The date on which the report was produced appears in the header on the top right side of each page.
- ❖ There are three types of entities that are displayed on the report:
 - 1) the top-tier FBO, which is displayed first,
 - 2) U.S. branches, agencies, and representative offices and managed non-U.S. branches of FBOs, which are displayed immediately below FBOs in alphabetical order, and
 - 3) U.S. banks, BHCs, other FBOs, and nonbanking subsidiaries, which are displayed immediately below each direct holder in alphabetical order.
- ❖ The report contains unique line identifiers (e.g., 00001, 00002, 00003, etc.) which indicate the placement of the entity on the report. If an entity has more than one direct holder, the additional line(s) at which it is displayed are noted after its name. In the instance where a subsidiary has multiple noncontrolling direct holders, an additional line identifying an indirect aggregate controlled relationship with the FBO will also be displayed.
- ❖ The report also contains tier level identifiers. The entities that are held directly by the top-tier FBO are identified by "2>", which means that they are second-level entities. In turn, the entities that are held directly by second-level entities are identified by "3>", which means that they are third-level entities. This pattern continues throughout the report.
- ❖ The data items that are displayed on the report vary based on the type of entity reported and are noted on the following pages. Not all data items that are displayed need be reviewed.

Instructions

- ❖ On the following pages are the data items that are displayed on the report, based on the type of entity reported. Only those that are identified under the heading **Data Items to be Verified** should be confirmed against the internal records of the FBO and should contain the latest information as of the date reflected in the heading on page 1 of the report. Those that are identified under the heading **Other Data Items** need not be reviewed.
- ❖ If the report does not contain the latest information as of the date reflected in the heading on page 1, an update or correction should be reported on an FR Y-10 form immediately. Annotated Tier Reports may **not** be submitted in lieu of the FR Y-10.
- ❖ With regard to activities, the accuracy and order of the primary and secondary activities should be verified. The order should be based on the definitions of "primary" and "secondary" as contained in the FR Y-10 instructions. Activities are currently displayed on the report as "Primary" and "Other." Reports should be filed to correct the order of importance or to identify the secondary activity if more than one "Other" activity is displayed, if applicable. All financial activities of companies that were reported as post-transaction notices and conducted under section 4(k) of the BHC Act should be displayed as an activity of the top-tier FBO as well.
- ❖ Confidentiality of information should be verified. The following statement identifies entities for which confidentiality has been requested or granted for some or all structure information as of the date of this report:

WARNING: CONFIDENTIALITY IS PENDING OR GRANTED FOR THE ABOVE ENTITY.

Data Items Reflected on the Tier Report for the Top-Tier FBO

(A value of "0" means the item is not applicable)

00001 Legal Name: FIRST FOREIGN BANK

City: LONDON	Country: ENGLAND		
ID RSSD: 12345678	Physical Dist: 0	Reg. Dist: 2	AFU: 2
ID CUSIP: 0	BHC_IND: 1	FBO_4C9_IND: 1	
CHTR_TYPE_CD: 200	FNCL_SUB_HOLDER: 0	FNCL_SUB_IND: 0	
FHC_IND: 1			
Primary Activity: 52211	COMMERCIAL BANKING		
Other Activity: 551111	OFFICES OF BANK HOLDING COMPANY		

Data Items to be Verified:

Legal Name:	contains the name of the FBO as it appears on papers of incorporation or other legal formation documents
City:	identifies the current location of the headquarters
Country:	identifies the current location of the headquarters
CHTR_TYPE_CD:	similar to the business entity type reported on the FR Y-10 and is based on the legal documents issued by the chartering or licensing authority or other documents of formation, or the type that most closely describes the business activities of the entity that are currently conducted (see Attachment A)
BHC_IND:	1 = a bank holding company (BHC) 2 = not a BHC, but controls a grandfathered nonbank bank (Business Entity Type = BHC that is not also an FBO)
FBO_4C9_IND:	1 = an FBO that qualifies for exemption from the nonbank prohibitions of the BHC Act 2 and 3 = an FBO that does not qualify for exemption from the nonbank prohibitions of the BHC Act (Business Entity Type = FBO)
FHC_IND:	1 = a financial holding company
Primary Activity:	identifies the activity code and text description of the current primary activity
Other Activity:	identifies the activity code and text description of a current activity, which was reported as the secondary activity

Other Data Items:

ID_RSSD	ID_C US IP
Physical Dist	FNCL_SUB_HOLDER
Reg. Dist	FNCL_SUB_IND
AFU	

Data Items Reflected on the Tier Report for Branches, Agencies, and Representative Offices of FBOs

(A value of "0" means the item is not applicable)

00002	2>	Legal Name: GEORGE TOWN BRANCH		
		City: GEORGE TOWN	Country: CAYMAN ISLANDS	
		ID RSSD: 3456789	Physical Dist: 0	AFU: 2
00003	2>	Legal Name: NEW YORK BRANCH		
		City: NEW YORK	State: NEW YORK	
		ID RSSD: 23456789	Physical Dist: 2	AFU: 2

Data Items to be Verified:

Legal Name:	contains the name as it appears on papers of incorporation or other legal formation documents
City:	identifies the current location
State or Country:	identifies the current location

Other Data Items:

ID_RSSD
Physical Dist
AFU

Data Items Reflected on the Tier Report for U.S. Banks, BHCs, Other FBOs, and Nonbanking Subsidiaries of the Top-Tier FBO

(A value of "0" means the item is not applicable)

Controlled or Noncontrolled -- identifies whether the direct holder has a controlling or noncontrolling interest in this entity, or that the top-tier FBO indirectly controls this entity in the aggregate

Basis of Relationship:

identifies the basis of the relationship with the direct holder consisting of the exact percentage of a class of voting or nonvoting securities for FBOs, BHCs, and U.S. banks, the percent range of a class of voting securities for nonbanking companies, or Other Basis for any entity type. This item is not applicable for indirect relationships with the FBO

Other Data Items:

ID_RSSD

Reg. Dist

FNCL_SUB_HOLDER

DT_RELN_EST

Physical Dist

AFU

Regulated or Nonregulated Status of a Relationship

ID_CUSIP

Attachment A
Business Entity Types

<u>CHTR TYPE CD</u>	<u>Business Entity Type</u>
200	U.S. commercial bank/Depository trust company Foreign banking organization (with Primary Activity Code = 52211 and FBO_4C9_IND = 1, 2, or 3; also see 500 below) Foreign bank (with Primary Activity Code = 52211 and FBO_4C9_IND = 0) Limited charter bank (with Primary Activity Code = 52221, e.g.)
250	Nondepository trust company
300	Savings bank
310	Savings and loan association
320	Cooperative bank
340	Industrial bank, industrial loan company, Morris Plan bank
400	Edge or agreement corporation (with Primary Activity = 522293)
500	Bank holding company (with BHC_IND = 1 and FBO_4C9_IND = 0) Other holding company Foreign banking organization (with FBO_4C9_IND = 1, 2, or 3 and Primary Activity Code not = 52211; also see 200 above)
550	Insurance underwriter, broker, or agent
700	Securities underwriter, broker or dealer
720	Other company (not included in list above)