

FEDERAL RESERVE BANK *of* NEW YORK

33 LIBERTY STREET, NEW YORK, NY 10045-0001

PATRICIA SELVAGGI
STATISTICS OFFICER

July 1, 2011

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 June 30, 2011 report date from the Federal Financial Institutions Examination Council (“FFIEC”). The agencies are not sending a sample set of the June 30, 2011 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 FFIEC previously advised (see FIL-19-2011, dated April 6, 2011), the Federal Deposit Insurance Corporation (FDIC) adopted a final rule amending its deposit insurance assessment regulations on February 7, 2011 (see FIL-8-2011, dated February 9, 2011). The final rule, which took effect April 1, 2011:

- Redefines the deposit insurance assessment base for all insured depository institutions as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. In general, the assessment base has been redefined as average consolidated total assets less average tangible equity capital during the assessment period; and
- Revises the risk-based assessment system for large and highly complex institutions, which generally are institutions with at least \$10 billion in total assets, using a scorecard that combines Uniform Financial Institutions Rating System ratings and certain forward-looking financial measures to assess the risk such institutions pose to the Deposit Insurance Fund.

The FFIEC is implementing revisions to Schedule RC-O, Other Data for Deposit Insurance and FICO Assessments, to provide the data needed to implement the redefined assessment base and the revised assessment system for large and highly complex institutions beginning June 30, 2011. Accordingly, Schedule RC-O:

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- Adds new items for all banks to report average consolidated total assets, the averaging method used, average tangible equity (defined as Tier 1 capital), and holdings of long-term unsecured debt issued by other FDIC-insured depository institutions;
- Adds new items in which banks will certify whether they qualify as bankers' banks or custodial banks for assessment purposes. Qualifying banks will report data on assessment base deductions and deduction limits;
- Adds new items, applicable only to large or highly complex institutions, for reporting data on criticized and classified items; "nontraditional residential mortgages," "subprime consumer loans," and "leveraged loans" as defined for assessment purposes only in FDIC regulations; construction and land development loan commitments; loans and other real estate owned covered by certain U.S. government guarantees; nonbrokered time deposits of more than \$250,000; and the largest and 20 largest counterparty exposures. Certain of these new items will not be made available to the public on an individual institution basis; and
- Eliminates those for the daily averages for total deposit liabilities, total allowable exclusions, and foreign deposits.

Report Submission

Except for certain banks with foreign offices, a completed Call Report must be submitted electronically to the CDR no later than **Saturday, July 30, 2011**. However, banks with more than one foreign office must electronically transmit its Call Report data to CDR no later than **Thursday, August 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.ffiec.gov/find/documents/resolvingedits.pdf>

Please note that the timeliness of receipt of the Call Report will be monitored. Any report received at the CDR after 5:00 p.m. on July 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 June 30, 2011, 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 Fanny Wang, Senior Reports Analyst in the Regulatory Reports Division at (212) 720-5121 or Monica Posen, Team Leader of that Division at (212) 720-8239.

Sincerely,

Signed: Patricia Selvaggi

Patricia Selvaggi
Statistics Officer