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KENNETH LAMAR
VICE PRESIDENT

November 3, 2004

To: The Individual Responsible for Filing the Financial
Statements of U.S. Nonbank Subsidiaries Held By Foreign
Banking Organizations

I am writing to inform you that proposed changes to the
Financial Statements of U.S. Nonbank Subsidiaries Held by Foreign
Banking Organizations (FR Y-7N) were published in the Federal
Register (see attachment) on October 25, 2004 for public comment.
The proposed implementation date is March 31, 2005.

The Federal Reserve proposes to revise the FR Y-7N reporting
instructions with respect to balances due from related
organizations, to insure consistent reporting of unconsolidated
subsidiaries, and to parallel changes proposed for other
nonbank subsidiary reports.

There are currently no proposed changes for the Capital and
Asset Report for Foreign Banking Organizations (FR Y-7Q).

The final Federal Register notice, the supporting statements,
draft reporting forms and instructions may be obtained at
<http://www.federalreserve.gov/boarddocs/reportforms/review.cfm>

If you have any questions about these FR Y-7N/7NS reporting
issues, please contact Tom Rooney, Reports Analyst of the
Regulatory Reports Division at (212) 720-5941 or Peter Drake, Team
Leader of that Division at (212) 720-2695.

Very truly yours,

** Signed by Kenneth Lamar **

Enclosures