KENNETH LAMAR
VICE PRESIDENT

May 14, 2004

TO: Depository Institutions in the Second Federal District that file the Report of Certain Eurocurrency Transactions (FR 2950/51)

I am writing to inform you that the Federal Reserve System is discontinuing the Report of Certain Eurocurrency Transactions (FR 2950/51), effective June 8, 2004. The FR 2950 and FR 2951 reports have been used to calculate reserve requirements and to determine the annual growth in reservable liabilities for indexing the amount of net transaction accounts exempt from reserve requirements. Although the Board reduced the reserve requirement ratio on net Eurocurrency Liabilities to zero in 1991, the data were still collected in the event the ratio were raised above zero at a later date.

Since these data are necessary only for annual indexation purposes and not for purposes of calculating reserve requirements or the monetary aggregates, these reports will be discontinued. However, in order to determine the growth in reservable liabilities, a new item, "Net Eurocurrency Liabilities" has been added to the FR 2900. This item, along with two other annual items, will be reported for the report week that includes June 30 for weekly FR 2900 reporters (i.e., for 2004, it will be the July 5, 2004 report week) and for the June report for quarterly FR 2900 reporters.

The last as-of date for the FR 2950/51 will be June 7, 2004. Weekly FR 2900 reporters should no longer submit the FR 2950/51 for the report week beginning June 8, 2004. Quarterly FR 2900 reporters submitted their last FR 2950 report for the week ending March 22, 2004 and therefore should not submit an FR 2950 for the June report week (June 15 - June 21). Selected items from the FR 2950/51 reports will be added to the Weekly Report of Assets and Liabilities for Large Banks (FR 2416) and Weekly Report of Selected Assets (FR 2644) effective with the June 2, 2004 reports.

Reminder of FR 2900 changes

Beginning in June 2004, respondents will submit the following FR 2900 items on an annual basis:

SCHEDULE BB
- Total nonpersonal savings and time deposits (Item BB.1), and
- Ineligible acceptances and obligations issued by affiliates maturing in 7 days or more (Item BB.2)

SCHEDULE CC
- Net Eurocurrency Liabilities (Item CC.1)

Weekly FR 2900 reporters should submit the balances as of close of business on June 30 each year. Quarterly FR 2900 reporters should submit the balances as of close of business on Monday of June report week each year. The new form and instructions are available on the Board's Reporting Forms website at http://www.federalreserve.gov/boarddocs/reportforms/default.cfm.

Electronic Submission of FR 2900

Depository institutions using FedLine to submit their FR 2900 reports electronically should be aware that the FedLine application will not be amended to reflect the annual items described above. The Federal Reserve has an alternative electronic reporting product, IESUB (IESUB is a web-based application available for report submission via the Internet). IESUB will be amended to reflect the changes to the FR 2900 report form cited above. In addition, ReserveCalc is a web-based alternative to the Estimate Reserve Requirements (ERR) function in FedLine. Together, these web-based platforms replace the reporting and reserve administration functionality in FedLine. Many depository institutions use these alternative electronic reporting applications, and they are very pleased with the results.

We strongly recommend that you switch to electronic reporting for the FR 2900 using IESUB and to use of ReserveCalc for your reserve administration needs. Appropriate sign-up forms and additional information regarding these applications are included with this mailing. For more information on electronic submission and receipt of reports, including a test drive of each application, we invite you to visit our Reporting & Reserves website at http://www.reportingandreserves.org/, or contact Eartha Collins at (212) 720-5993.

If you have any questions about these changes, please contact Ben Annoscia, Team Leader, at (212) 720-8920 or Brian Osterhus, Staff Director in the Deposit Reports Division, at (212) 720-8023.

Sincerely,

-- Signed by Kenneth Lamar --

Kenneth Lamar
Vice President
Financial Reports Department

The reporting institution is responsible for informing its Federal Reserve Bank of any changes in responsibility and requesting the appropriate change in access.

Please Check One:

[ ] New Internet Reporting User *(Never submitted any data via IESUB)*

Current IESUB User   IESUB Logon ID (User Name)   _____
[ ] New Institution *(Never submitted data for this institution via IESUB)*
[ ] New Report *(Never submitted data for this report for this institution via IESUB)*
[ ] User No Longer Submits Data for this Institution/Series
[ ] Delete User *(User will no longer submit any data via IESUB)*
[ ] Reissue Password

User Information (Please Print Clearly)

First Name _____ Middle Initial _____ Last Name _____

Address _____

City _____ State _____ Zip Code _____

Phone Number _____ Fax Number _____

Work Email Address _____

Respondent/Report Information (Please Print Clearly)

Reporting Institution Name_____

ABA/Routing Number (if applicable) _____

Data Entry/Spreadsheet File Transfer (For more information, please see http://www.reportingandreserves.org/iesub.html)

[ ] FFIEC 009	[ ] FFIEC 009A	[ ] FR 2069	[ ] FR 2415(W)	[ ] FR 2415(Q)	[ ] FR 2415(A)
[ ] FR 2416	[ ] FR 2644	[ ] FR 2900	[ ] FR 2900Q	[ ] FR 2915	[ ] FR 2950
[ ] FR 2951	[ ] FR Y-8	[ ] FR Y-9ES	[ ] FR Y-9SP	[ ] FR Y-11S	[ ] FR Y-12
[ ] TFC FC-1/FC-2	[ ] TFC FC-3	[ ] TIC BC	[ ] TIC BC(SA)	[ ] TIC BL-1	[ ] TIC BL-1(SA)
[ ] TIC BL-2	[ ] TIC BL-2 (SA)	[ ] TIC BQ-1	[ ] TIC BQ-2	[ ] TIC BQ-3	[ ] TIC CQ-1
[ ] TIC CQ-2	[ ] TIC S (S1 & S2)				

STAT File Transfer (For more information, please see http://www.reportingandreserves.org/iesub.html)

[ ] FFIEC 002	[ ] FFIEC 002S	[ ] FR 2314	[ ] FR 2314S	[ ] FR 2900	[ ] FR 2900Q
[ ] FR 2950	[ ] FR 2951	[ ] FR Y-7N	[ ] FR Y-8	[ ] FR Y-9C	[ ] FR Y-9ES
[ ] FR Y-9LP	[ ] FR Y-9SP	[ ] FR Y-11	[ ] FR Y-11S	[ ] FR Y-12	

Authorization Information (Must be signed by the person authorized to sign the report being requested)

Authorized Name/Title _____
                                    (Please Print Clearly)

Authorized Signature _____   Date _____

For Completion by Federal Reserve Staff:

RSSD ID _____   Vendor Software Password _____
                                        (For STAT File Transfer Only)

IESUB Logon ID _____   IESUB Logon Password _____
(User Name)   **Note: The password is case sensitive.**

ReserveCalc

With **ReserveCalc**—a new software application from the Federal Reserve—you can view your reserve maintenance information from your own PC. **ReserveCalc** connects you to the Federal Reserve through the Internet, giving you access to your reserves data around the clock, 365 days a year. Instead of waiting for scheduled reports, you can access **ReserveCalc** anytime.

Drill Down into Your Requirement and Position Reports

ReserveCalc provides all the information in your current Reserve Requirement and Position reports. It also allows you to drill down into the report items for comprehensive information. You can view detailed as-of adjustments data, close-of-business account balances and your reservable liabilities—calculated from your weekly or quarterly FR2900 report—that form the basis of your reserve requirement and ongoing position management.

Consult the Balance Calculator

An additional feature of **ReserveCalc** is the *Balance Calculator*, which helps you calculate the balances you need to hold each day to achieve a zero net position. It updates automatically, each day, after your close-of-business account balance has been recorded and as-of adjustments processed by the Reserve Bank have been posted to your account. The Balance Calculator considers all reserve maintenance tools available to you, including carry-over and the clearing balance allowance.

The Balance Calculator is also an interactive decision-making tool. You can enter estimated future account balances to determine your net position under different scenarios, or you can calculate the effect of an anticipated as-of adjustment on your required balances.

Easy Interface and Built-in Glossary

ReserveCalc is intuitive and easy to use. Requesting a report takes two simple steps: Select a maintenance period end date, then select the menu item for the information you need, such as Requirement or Position reports. That's all there is to it! Useful links are embedded in the reports for additional, detailed information, or you can choose another report option from the main menu.

Throughout **ReserveCalc**, terminology and calculations are explained through our online help feature. You simply click on a word or phrase and a pop-up window provides a detailed definition or calculation description.

Security

The Federal Reserve has taken several steps to ensure the security of your data. Access to **ReserveCalc** is controlled through the use of digital certificates that are available only to authorized users. The application employs encryption to prevent unauthorized access to data transmitted on the Internet. **ReserveCalc** resides on servers and networks that are both physically and electronically secured by the Federal Reserve.

Hardware and Software Requirements

If you already access the Internet from your PC, you probably have all the hardware and software required to run the application. To access **ReserveCalc**, you'll need the following:

■ Pentium PC with Microsoft® Windows 98®, Windows ME®, Windows NT® operating system 4.0 or Windows 2000®

■ Netscape® Navigator® browser v4.08 through 4.75 (*http://home.netscape.com/download/*) OR Microsoft® Internet Explorer® v5.5 SP1 and Internet Tools. It is the user's responsibility to identify and install the most recent Microsoft security patches as they become available (*http://www.microsoft.com/downloads/*).

■ Standard modem (56K or faster) or, for optimal speed, a T1 or T3 LAN connection

■ Video resolution of 800x600, 256 colors or higher (recommended)

How Do I Sign Up?

For more information about **ReserveCalc**, visit the Reporting and Reserves website at *www.reportingandreserves.org* or contact your Federal Reserve account manager to begin using **ReserveCalc** today!