

Schedule CC Detailed Instructions



Schedule CC

- The main purpose of Schedule CC is to calculate the Eurocurrency Liabilities portion of reservable liabilities, which are used to index the growth in reservable liabilities from June 30 to June 30.



Schedule CC

- Schedule CC data are to be completed based on the following schedule:
 - For weekly FR 2900 respondents: for the weekly report that includes June 30
 - For quarterly FR 2900 respondents: for the June report



Worksheet for Preparation of Schedule CC

- Part of the FR 2900 instructions:
 - For U.S. branches and agencies of foreign banks, refer to Pg. 62
 - For commercial banks and savings institutions, refer to Pg. 63
 - For credit unions, refer to Pg. 64



International Banking Facility (IBF)

- IBFs were first permitted in 1981 to enable depository institutions located in the U.S. to compete more effectively for overseas deposits and loans
- An IBF is a separate set of books maintained by a depository institution for a "shell" institution that is chartered in the U.S., but is treated like a related foreign branch



IBF

- IBFs are treated as Non-U.S. offices and are exempt from certain U.S. laws, including:
 - Reserve requirements
 - FDIC insurance assessments
 - Some state and local income taxes



IBF Restrictions

- IBFs are only allowed to extend credit or accept deposits with the following customers:
 - Foreign residents (including banks)
 - Other IBFs
 - The establishing entity



IBF Restrictions

- IBFs may only extend credit to and accept deposits from a nonbank customer only if such funds are used to finance the borrower's operations located outside the U.S.



IBF Restrictions

- In order to determine that the use-of-proceed requirement has been met, it is necessary for the IBF to:
 - Ascertain that the applicable IBF notices and acknowledgments have been provided



IBF Deposit Maturities

- IBF deposits must have a minimum maturity:
 - Overnight for foreign banks, other IBFs and the establishing entity
 - Two business days for non-bank foreign residents



IBF Deposit Maturities

- Deposits and withdrawals of nonbank customers must be in the amount of at least \$100 thousand, and,
- IBFs are prohibited from issuing negotiable instruments including Eurodollar CDs and bankers' acceptances



Related
vs.
Unrelated Institutions

Related vs. Unrelated Institutions (U.S. Branches and Agencies of Foreign Banks)

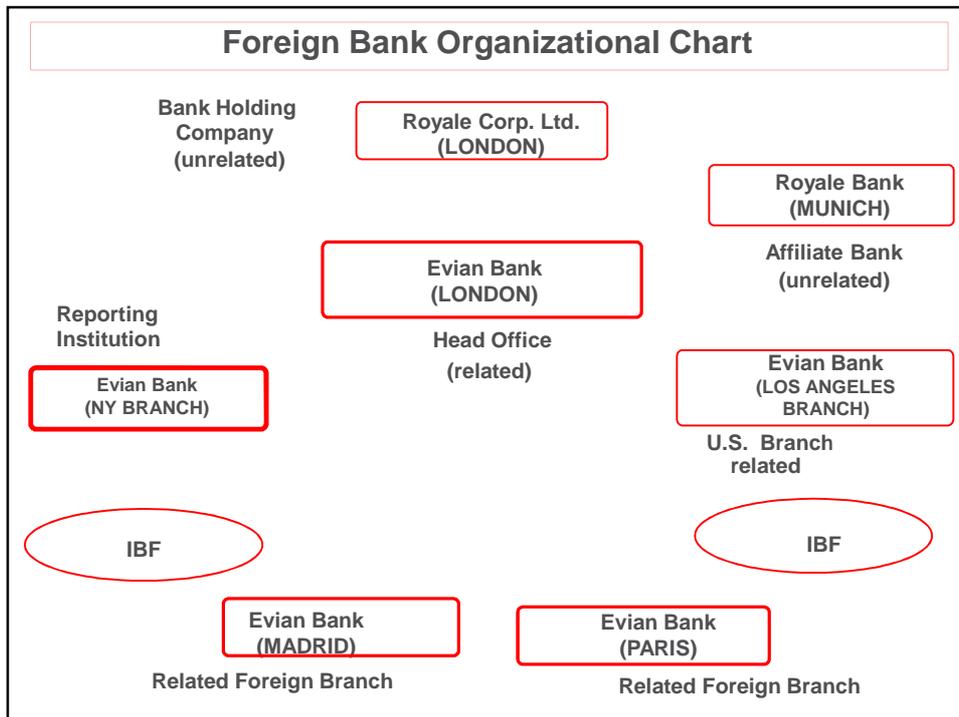
- For Schedule CC, related institutions are:
 - Foreign (direct) Parent Bank,
 - Offices of the same foreign (direct) Parent Bank



Related vs. Unrelated Institutions (U.S. Branches and Agencies of Foreign Banks)

- U.S. and Non-U.S. affiliates and subsidiaries of the foreign (direct) parent bank are treated as unrelated institutions for purposes of Regulation D, therefore:
 - Deposits, borrowings, loans, and claims from these affiliates and subsidiaries are treated like those from unrelated institutions





Related vs. Unrelated Institutions

(all institutions other than U.S. Branches and Agencies of Foreign Banks)

- For Schedule CC, related institutions are:
 - Foreign (non-U.S.) branches



Worksheet Item 1: Borrowings From Non-U.S. Offices of Other Depository Institutions and From Certain Designated Non-U.S. Entities

Worksheet Item 1: Borrowings From Non-U.S. Offices of Other Depository Institutions and From Certain Designated Non-U.S. Entities

- Depository institutions must report any borrowings from unrelated banking institutions located outside of the U.S.

Worksheet Item 1: Borrowings From Non-U.S. Offices of Other Depository Institutions and From Certain Designated Non-U.S. Entities

- Borrowings from the following depository institutions are reported on Line 1
 - Non-U.S. Banks (located overseas)
 - Overseas branches of U.S. depository institutions
 - International institutions
 - Overseas banking subsidiaries and affiliates of the parent bank



Worksheet Item 1: Borrowings From Non-U.S. Offices of Other Depository Institutions and From Certain Designated Non-U.S. Entities

- **Exclude** borrowings from the reporting institution's Non-U.S. branches or Non-U.S. offices of the parent bank from Worksheet Item 1



Worksheet Item 1: Common Borrowings Reported

- Federal funds or any overnight borrowing from depository institutions located outside the U.S., including international institutions (refer to the FR 2900 glossary)
- Overdrafts
- Repurchase agreements not backed by U.S. government securities

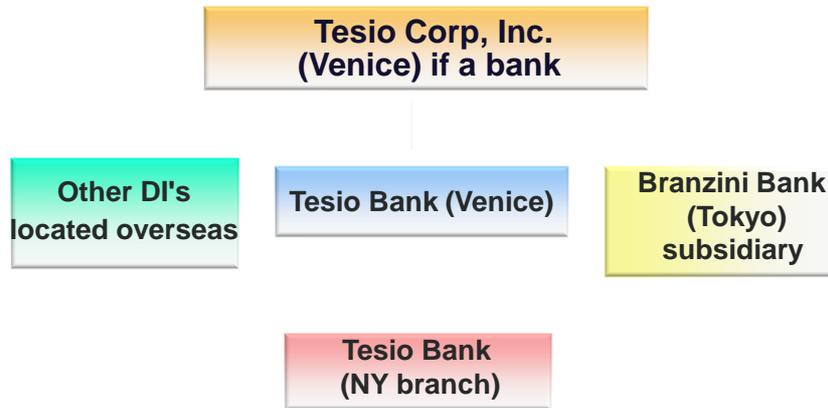


Worksheet Item 1: Common Borrowings Reported

Note: A depository institution should exclude any items reported on the FR 2900 such as CDs, MMDAs and time open accounts.



Worksheet Item 1



Review

Which of the following instruments should be included in Worksheet Item 1?

- a) Overdraft with U.S. correspondent
- b) Repurchase agreement (backed by U.S Government securities) with non-U.S. bank
- c) Overnight loan from the World Bank
- d) None of the above



Review

Which of the following instruments should be included in Worksheet Item 1?

- a) Overdraft with U.S. correspondent
- b) Repurchase agreement (backed by U.S Government securities) with non-U.S. bank
- c) **Overnight loan from the World Bank**
- d) None of the above



Review

A borrowing from which of the following institutions is not included in Worksheet Item 1?

- a) Foreign banking subsidiary of the parent
- b) Foreign parent's Cayman Branch
- c) World Bank
- d) Reporting institution's foreign non-bank holding company

Hint: More than one answer!



Review

A borrowing from which of the following institutions is not included in Worksheet Item 1?

- a) Foreign banking subsidiary of the parent
- b) **Foreign parent's Cayman Branch**
- c) World Bank
- d) **Reporting institution's foreign non-bank holding company**

Hint: More than one answer!



Summary

- IBFs
- Related vs. unrelated institutions
- Worksheet Item 1 - captures borrowings from foreign entities (including banking subsidiaries of foreign parent's bank holding company)
- Deposits should be excluded from Worksheet Item 1 and reported on the appropriate line on the FR 2900



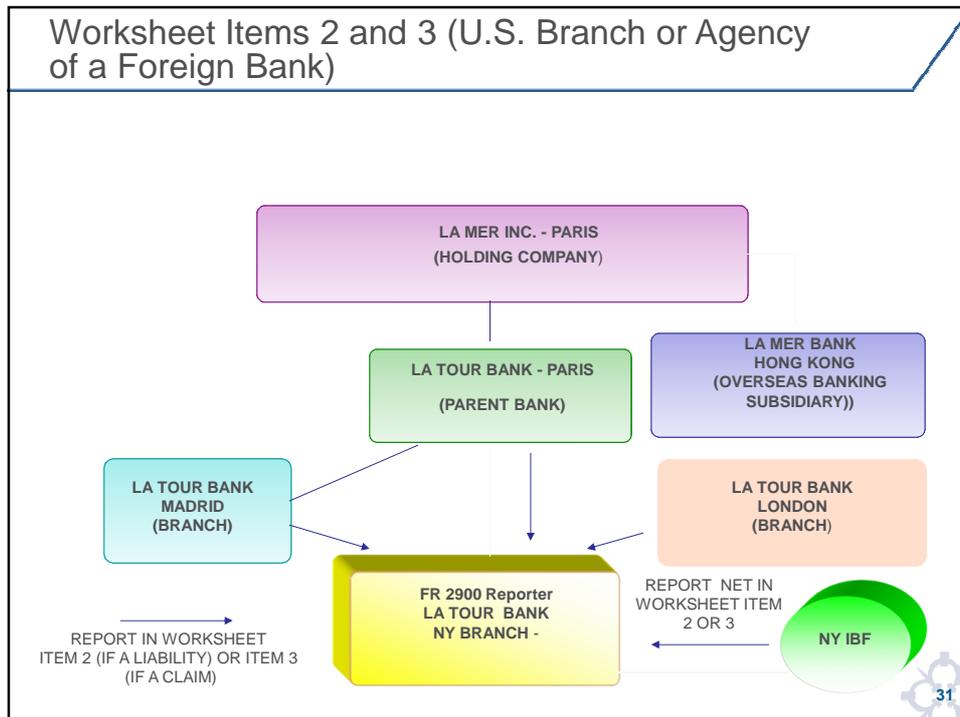
Worksheet Item 2: Gross Liabilities to Non-U.S. Parent Bank and Its Non-U.S. Offices Plus Net IBF

Worksheet Item 2: Gross Liabilities to Non-U.S. Parent Bank and Its Non-U.S. Offices Plus Net IBF

- Worksheet Items 2 and 3
 - Depository institutions report any liabilities or claims they have with their non-U.S. parent and the parent's non-U.S. offices on a gross basis



Worksheet Items 2 and 3 (U.S. Branch or Agency of a Foreign Bank)



Worksheet Item 2: Gross Liabilities to Non-U.S. Parent Bank and Its Non-U.S. Offices Plus Net IBF

- Liabilities due to related parties include:
 - Deposits
 - Borrowings
 - Overdrawn balances
 - A net due to position with own IBF
 - Revaluation losses from derivative products

Worksheet Item 2: Gross Liabilities to Non-U.S. Parent Bank and Its Non-U.S. Offices Plus Net IBF

- Liabilities due to related parties include:
 - Accounts payable
 - Funds swept out of a deposit account to offshore offices booked as a liability to a related foreign office
 - Capital contribution, adjusted for:
 - Unremitted earnings (losses)
 - Provision for loan loss reserves



Worksheet Item 2: Gross Liabilities to Non-U.S. Parent Bank and Its Non-U.S. Offices Plus Net IBF

Based on the balance sheet on the following page, what would be included in Worksheet Item 2?



Mt. Vernon Bank, NY

Assets

Cash and Due From	195,000	
CIPC	2,000	
Vault Cash	1,000	
Due from (demand)		
U.S. Banks	10,000	
FRB Balances	25,000	
Mt. Vernon London	10,000	
Mt. Vernon San Fran	2,000	
Nonbanking Affiliate	5,000	
Head Office Paris	10,000	
NY IBF	130,000	
Securities	35,000	
U.S. Treasury	35,000	
Loans	548,000	
Commercial and Industrial	225,000	
U.S. Banks	26,000	
Foreign Banks	75,000	
Head Office Paris	19,000	
Mt. Vernon San Fran	3,000	
N.Y. IBF	200,000	
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC	10,000	
U.S. Banks	1,000	
Foreign Banks	75,000	
Foreign Official Institutions	50,000	
Head Office Paris	15,000	
Mt. Vernon London	10,000	
Mt. Vernon Cayman	25,000	
IBF	100,000	
Nonbanking Affiliate	10,000	
Time and Savings Deposits	248,000	
IPC	220,000	
U.S. Banks	2,000	
Foreign Banks	1,000	
Foreign Official Institutions	25,000	
Borrowings	234,000	
U.S. Banks	3,000	
Foreign Banks	5,000	
Head Office Paris	10,000	
Mt. Vernon London	9,000	
Mt. Vernon San Fran	4,000	
Mt. Vernon Cayman	2,000	
Foreign Official Institution	1,000	
N.Y. IBF	200,000	
Total Liabilities	778,000	

35

Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC	2,000	
Vault Cash	1,000	
Due from (demand)		
U.S. Banks	10,000	
FRB Balances	25,000	
Mt. Vernon London	10,000	
Mt. Vernon San Fran	2,000	
Nonbanking Affiliate	5,000	
Head Office Paris	10,000	
NY IBF	130,000	
Securities	35,000	
U.S. Treasury	35,000	
Loans	548,000	
Commercial and Industrial	225,000	
U.S. Banks	26,000	
Foreign Banks	75,000	
Head Office Paris	19,000	
Mt. Vernon San Fran	3,000	
N.Y. IBF	200,000	
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC	10,000	
U.S. Banks	1,000	
Foreign Banks	75,000	
Foreign Official Institutions	50,000	
Head Office Paris	15,000	
Mt. Vernon London	10,000	
Mt. Vernon Cayman	25,000	
IBF	100,000	
Nonbanking Affiliate	10,000	
Time and Savings Deposits	248,000	
IPC	220,000	
U.S. Banks	2,000	
Foreign Banks	1,000	
Foreign Official Institutions	25,000	
Borrowings	234,000	
U.S. Banks	3,000	
Foreign Banks	5,000	
Head Office Paris	10,000	
Mt. Vernon London	9,000	
Mt. Vernon San Fran	4,000	
Mt. Vernon Cayman	2,000	
Foreign Official Institution	1,000	
N.Y. IBF	200,000	
Total Liabilities	778,000	

36

Worksheet Item 3 - Gross Claims on Non – U.S. Parent Bank
and Its Non-U.S. Offices Plus Net Claims on Own IBF

- Claims due from related parties include:
 - Placements
 - Loans
 - A net due from position with own IBF
 - Overdrawn balances
 - Accounts receivable
 - Revaluation gains from derivative products



Worksheet Item 3 - Gross Claims on Non-U.S. Parent Bank
and Its Non-U.S. Offices Plus Net Claims on Own IBF

Based on the balance sheet on the following page, what would
be included in Worksheet Item 3?



Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC		2,000
Vault Cash		1,000
Due from (demand)		
U.S. Banks		10,000
FRB Balances		25,000
Mt. Vernon London		10,000
Mt. Vernon San Fran		2,000
Nonbanking Affiliate		5,000
Head Office Paris		10,000
NY IBF		130,000
Securities	35,000	
U.S. Treasury		35,000
Loans	548,000	
Commercial and Industrial		225,000
U.S. Banks		26,000
Foreign Banks		75,000
Head Office Paris		19,000
Mt. Vernon San Fran		3,000
N.Y. IBF		200,000
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC		10,000
U.S. Banks		1,000
Foreign Banks		75,000
Foreign Official Institutions		50,000
Head Office Paris		15,000
Mt. Vernon London		10,000
Mt. Vernon Cayman		25,000
IBF		100,000
Nonbanking Affiliate		10,000
Time and Savings Deposits	248,000	
IPC		220,000
U.S. Banks		2,000
Foreign Banks		1,000
Foreign Official Institutions		25,000
Borrowings	234,000	
U.S. Banks		3,000
Foreign Banks		5,000
Head Office Paris		10,000
Mt. Vernon London		9,000
Mt. Vernon San Fran		4,000
Mt. Vernon Cayman		2,000
Foreign Official Institution		1,000
N.Y. IBF		200,000
Total Liabilities	778,000	

39

Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC		2,000
Vault Cash		1,000
Due from (demand)		
U.S. Banks		10,000
FRB Balances		25,000
Mt. Vernon London		10,000
Mt. Vernon San Fran		2,000
Nonbanking Affiliate		5,000
Head Office Paris		10,000
NY IBF		130,000
Securities	35,000	
U.S. Treasury		35,000
Loans	548,000	
Commercial and Industrial		225,000
U.S. Banks		26,000
Foreign Banks		75,000
Head Office Paris		19,000
Mt. Vernon San Fran		3,000
N.Y. IBF		200,000
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC		10,000
U.S. Banks		1,000
Foreign Banks		75,000
Foreign Official Institutions		50,000
Head Office Paris		15,000
Mt. Vernon London		10,000
Mt. Vernon Cayman		25,000
IBF		100,000
Nonbanking Affiliate		10,000
Time and Savings Deposits	248,000	
IPC		220,000
U.S. Banks		2,000
Foreign Banks		1,000
Foreign Official Institutions		25,000
Borrowings	234,000	
U.S. Banks		3,000
Foreign Banks		5,000
Head Office Paris		10,000
Mt. Vernon London		9,000
Mt. Vernon San Fran		4,000
Mt. Vernon Cayman		2,000
Foreign Official Institution		1,000
N.Y. IBF		200,000
Total Liabilities	778,000	

40

Net IBF Position

Net IBF Position

- The net IBF position is the net credit or debit position reflected on the IBF books with the establishing entity
- This should be the difference between the IBF's assets and liabilities excluding those with U.S. offices of the establishing entity



Net IBF Position

- The net IBF position should be included in either Worksheet Item 2 (if a net due to) or Worksheet Item 3 (if a net due from)



Net IBF Position

IBF Balance Sheet

Assets

Third-party Assets
Due From NY Branch

Total Assets

Liabilities

Third-party Liabilities
Due To NY Branch

Total Liabilities

Net Profit

Net Calculation

Liabilities to parties other than U.S. establishing entity **Minus** Assets DF parties other than U.S. offices of the offices of the establishing entity



Net IBF Position

Which items on the preceding balance sheet would be considered third party assets or third party liabilities?



Vario Bank, NY IBF's Books

Cash and Due From :	121,500	Deposits :	368,000
Foreign Banks	10,000	Foreign Banks	10,000
Vario N.Y.	100,000	Vario N.Y.	250,000
Foreign Official Inst.	500	Foreign Official Inst.	75,000
Vario San Fran IBF	1,000	IPC	33,000
Vario London	5,000		
Vario Cayman	5,000		
Securities	22,000	Borrowings:	265,500
Foreign Treasury	20,000	Foreign Banks	25,000
Other Bonds and notes	2,000	Vario N.Y.	200,000
		Vario London	7,000
		Vario Cayman	3,000
		Other IBFs	25,500
Loans :	490,000		
Comm. and Indus	292,000	Net profit	5,000
Foreign Banks	51,000	(due to NY Branch)	
Foreign Official Inst	20,000		
Vario London	25,000		
Vario Cayman	25,000		
Vario San Fr IBF	20,000		
Vario N.Y.	57,000		
Total Assets	633,500	Total Liabilities	633,500



Vario Bank, NY IBF's Books

Cash and Due From :	121,500	Deposits :	368,000
<i>Foreign Banks</i>	10,000	<i>Foreign Banks</i>	10,000
Vario N.Y.	100,000	Vario N.Y.	250,000
<i>Foreign Official Inst.</i>	500	<i>Foreign Official Inst.</i>	75,000
<i>Vario San Fran IBF</i>	1,000	<i>IPC</i>	33,000
<i>Vario London</i>	5,000		
<i>Vario Cayman</i>	5,000		
<i>Foreign Treasury</i>	20,000	<i>Foreign Banks</i>	25,000
<i>Other Bonds and notes</i>	2,000	Vario N.Y.	200,000
		<i>Vario London</i>	7,000
		<i>Vario Cayman</i>	3,000
		<i>Other IBFs</i>	25,500
<i>Comm. and Indus</i>	292,000	Net profit	5,000
<i>Foreign Banks</i>	51,000	(due to NY Branch)	
<i>Foreign Official Inst</i>	20,000		
<i>Vario London</i>	25,000		
<i>Vario Cayman</i>	25,000		
<i>Vario San Fr IBF</i>	20,000		
Vario N.Y.	57,000		



Net IBF Position

IBF Balance Sheet

Assets

Liabilities

Third-party Assets	476,500	Third-party Liabilities	178,500
Due From NY Br.	157,000	Due To NY Br.	450,000
		Net Profit	5,000
Total Assets	633,500	Total Liabilities	633,500

Net Calculation

Liabilities to parties other than U.S. offices of the establishing entity	178,500	Minus: Assets due from parties other than U.S. offices of the establishing entity	476,500
(298,000)			



Net IBF Position

- Because the difference calculated is negative, its absolute value represents, on the books of the IBF, net balances due to U.S. offices of the establishing entity.
- For purposes of this report, its absolute value represents the establishing entity's net claims on its own IBF and should be included in Worksheet Item 3.



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices (U.S. Branches and Agencies of Foreign Banks)

Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices (U.S. Branches and Agencies of Foreign Banks) Worksheet Item 4: Total Assets

- U.S. branches and agencies report their risk adjusted assets on this line
- The purpose of this column is to give U.S. branches and agencies a deduction for their reservable Eurocurrency liabilities (funds placed by their parent as capital contribution)



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices (U.S. Branches and Agencies of Foreign Banks)

- U.S. depository institution's capital is exempt from reserve requirements
- The capital equivalency deduction allows for reserve requirements to be imposed evenly on U.S. banks and U.S. branches and agencies of foreign banks



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances
Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices
(U.S. Branches and Agencies of Foreign Banks)

- Total assets are adjusted to calculate “risk” assets by deducting certain assets from the institutions total assets. These are:
 - Demand balances due from depository institutions in the U.S. (FR 2900, Line B.1)
 - Cash items in the process of collection (FR 2900, Line B.2)



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances
Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices
(U.S. Branches and Agencies of Foreign Banks)

- Demand balances due from non-U.S. offices of U.S. depository institutions and overseas banks
- Balances due from foreign official institutions



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S.

Offices (U.S. Branches and Agencies of Foreign Banks)

- Gross claims on related institutions are not included in the total assets used to calculate Worksheet Item 4



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S.

Offices (U.S. Branches and Agencies of Foreign Banks)

- In general the definition of "total assets" corresponds to the total assets reported on Schedule RAL on the FFIEC 002.
- The total assets to be used in Worksheet Item 4 will differ from the total assets on the FFIEC 002 due to the following
 - U.S. and non-U.S. affiliates and subsidiaries are considered unrelated for purposes of the FR 2900 and related for the FFIEC 002



Worksheet Item 4: Total Assets Minus Certain Assets and Positive Net Balances Due From Own IBF and the Parent Bank's U.S. and Non-U.S. Offices (U.S. Branches and Agencies of Foreign Banks)

- ▶ IBF assets due from parties other than U.S. offices of the establishing entity are excluded from the calculation of the amount reported in Worksheet Item 4, but are included on the FFIEC 002.



Common Problems Found With Worksheet Item 4

- The following are common errors associated with Worksheet Item 4
 - IBF assets are included with total assets of the branch/agency
 - Reserve balances and vault cash are excluded from total assets
 - Failure to reduce total assets figure by the deduction items
 - Related party claims are included in the calculation



Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 1

Deduct the Gross Due From related parties figure from the total assets figure on the balance sheet

Total Assets - Gross Due From Related = Third Party Assets



Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 1

Calculate gross due from related parties (including IBF)

Due from:

Loans to:

Gross due from:



Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC		2,000
Vault Cash		1,000
Due from (demand)		
U.S. Banks		10,000
FRB Balances		25,000
Mt. Vernon London		10,000
Mt. Vernon San Fran		2,000
Nonbanking Affiliate		5,000
Head Office Paris		10,000
NY IBF		130,000
Securities	35,000	
U.S. Treasury		35,000
Loans	548,000	
Commercial and Industrial		225,000
U.S. Banks		26,000
Foreign Banks		75,000
Head Office Paris		19,000
Mt. Vernon San Fran		3,000
N.Y. IBF		200,000
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC		10,000
U.S. Banks		1,000
Foreign Banks		75,000
Foreign Official Institutions		50,000
Head Office Paris		15,000
Mt. Vernon London		10,000
Mt. Vernon Cayman		25,000
IBF		100,000
Nonbanking Affiliate		10,000
Time and Savings Deposits	248,000	
IPC		220,000
U.S. Banks		2,000
Foreign Banks		1,000
Foreign Official Institutions		25,000
Borrowings	234,000	
U.S. Banks		3,000
Foreign Banks		5,000
Head Office Paris		10,000
Mt. Vernon London		9,000
Mt. Vernon San Fran		4,000
Mt. Vernon Cayman		2,000
Foreign Official Institution		1,000
N.Y. IBF		200,000
Total Liabilities	778,000	

61

Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC		2,000
Vault Cash		1,000
Due from (demand)		
U.S. Banks		10,000
FRB Balances		25,000
Mt. Vernon London		10,000
Mt. Vernon San Fran		2,000
Nonbanking Affiliate		5,000
Head Office Paris		10,000
NY IBF		130,000
Securities	35,000	
U.S. Treasury		35,000
Loans	548,000	
Commercial and Industrial		225,000
U.S. Banks		26,000
Foreign Banks		75,000
Head Office Paris		19,000
Mt. Vernon San Fran		3,000
N.Y. IBF		200,000
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC		10,000
U.S. Banks		1,000
Foreign Banks		75,000
Foreign Official Institutions		50,000
Head Office Paris		15,000
Mt. Vernon London		10,000
Mt. Vernon Cayman		25,000
IBF		100,000
Nonbanking Affiliate		10,000
Time and Savings Deposits	248,000	
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Foreign Banks		1,000
Foreign Official Institutions		25,000
Borrowings	234,000	
U.S. Banks		3,000
Foreign Banks		5,000
Head Office Paris		10,000
Mt. Vernon London		9,000
Mt. Vernon San Fran		4,000
Mt. Vernon Cayman		2,000
Foreign Official Institution		1,000
N.Y. IBF		200,000
Total Liabilities	778,000	

62

Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 1

Due from:	\$152,000
London	\$10,000
SF	\$2,000
HO	\$10,000
NY IBF	130,000
Loans to:	\$222,000
SF	\$3,000
HO	\$19,000
NY IBF	\$200,000



Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 1

Deduct the Gross Due From related parties balance from the total assets figure on the balance sheet

Total Assets - Gross Due From Related = Third Party Assets

$$778,000 - 374,000 = 404,000$$



Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 2

Calculate other deductions

- 1) Cash items in the process of collection
- 2) Demand balances due from U.S. banks
- 3) Demand balances due from foreign banks
- 4) Foreign official institutions

Total Other Deductions =



Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC	2,000	
Vault Cash	1,000	
Due from (demand)		
U.S. Banks	10,000	
FRB Balances	25,000	
Mt. Vernon London	10,000	
Mt. Vernon San Fran	2,000	
Nonbanking Affiliate	5,000	
Head Office Paris	10,000	
NY IBF	130,000	
Securities	35,000	
U.S. Treasury	35,000	
Loans	548,000	
Commercial and Industrial	225,000	
U.S. Banks	26,000	
Foreign Banks	75,000	
Head Office Paris	19,000	
Mt. Vernon San Fran	3,000	
N.Y. IBF	200,000	
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC	10,000	
U.S. Banks	1,000	
Foreign Banks	75,000	
Foreign Official Institutions	50,000	
Head Office Paris	15,000	
Mt. Vernon London	10,000	
Mt. Vernon Cayman	25,000	
IBF	100,000	
Nonbanking Affiliate	10,000	
Time and Savings Deposits	248,000	
IPC	220,000	
U.S. Banks	2,000	
Foreign Banks	1,000	
Foreign Official Institutions	25,000	
Borrowings	234,000	
U.S. Banks	3,000	
Foreign Banks	5,000	
Head Office Paris	10,000	
Mt. Vernon London	9,000	
Mt. Vernon San Fran	4,000	
Mt. Vernon Cayman	2,000	
Foreign Official Institution	1,000	
N.Y. IBF	200,000	
Total Liabilities	778,000	



Mt. Vernon Bank, NY Branch

Assets

Cash and Due From	195,000	
CIPC		2,000
Vault Cash		1,000
Due from (demand)		
U.S. Banks		10,000
FRB Balances	25,000	
Mt. Vernon London	10,000	
Mt. Vernon San Fran	2,000	
Nonbanking Affiliate	5,000	
Head Office Paris	10,000	
NY IBF	130,000	
Securities	35,000	
U.S. Treasury		35,000
Loans	548,000	
Commercial and Industrial		225,000
U.S. Banks		26,000
Foreign Banks		75,000
Head Office Paris		19,000
Mt. Vernon San Fran		3,000
N.Y. IBF		200,000
Total Assets	778,000	

Liabilities

Demand Deposits	296,000	
IPC		10,000
U.S. Banks		1,000
Foreign Banks		75,000
Foreign Official Institutions		50,000
Head Office Paris		15,000
Mt. Vernon London		10,000
Mt. Vernon Cayman		25,000
IBF		100,000
Nonbanking Affiliate		10,000
Time and Savings Deposits	248,000	
IPC		220,000
U.S. Banks		2,000
Foreign Banks		1,000
Foreign Official Institutions		25,000
Borrowings	234,000	
U.S. Banks		3,000
Foreign Banks		5,000
Head Office Paris		10,000
Mt. Vernon London		9,000
Mt. Vernon San Fran		4,000
Mt. Vernon Cayman		2,000
Foreign Official Institution		1,000
N.Y. IBF		200,000
Total Liabilities	778,000	

67

Steps to Calculate Worksheet Item 4 (U.S. Branch of a Foreign Bank)

Step 2 Calculate other deductions

- | | |
|---|----------|
| 1) Cash items in the process of collection | \$2,000 |
| 2) Demand balances due from U.S. banks | \$10,000 |
| 3) Demand balances due from fgn. Banks | 0 |
| 4) Balances due from from fgn. official inst. | 0 |

Total Other Deductions = \$12,000

68

Steps to Calculate Worksheet Item 4
(U.S. Branch of a Foreign Bank)

Step 3 Calculate Total Adjusted Assets

Step 1 - Step 2 =

Total Assets reported in Worksheet Item 4



Steps to Calculate Worksheet Item 4
(U.S. Branch of a Foreign Bank)

Step 3 Calculate Total Adjusted Assets

Step 1 - Step 2 =

Total Assets reported in Worksheet Item 4

$\$404,000 - \$12,000 = \$392,000$



Worksheet Item 4 (all institutions other than U.S. Branches and Agencies of Foreign Banks) and Worksheet Item 5 (U.S. Branches and Agencies of Foreign Banks): Assets held by own IBF and Non-U.S. Offices Acquired from U.S. Offices

Worksheet Item 4, 5: Assets held by own IBF and Non-U.S. Offices Acquired from U.S. Offices

- Depository institutions report in this item funds that are supplied to them by foreign related institutions or its own IBF through the sale of assets



Worksheet Item 4, 5: Assets held by own IBF and Non-U.S. Offices Acquired from U.S. Offices

- Funds received by the depository institution will continue to be reported in this item until the foreign related institution disposes of the asset
- Assets given to the IBF to start its operations for the first two fourteen day computation periods from its opening should be excluded from this line



Worksheet Item 4, 5: Assets held by own IBF and Non-U.S. Offices Acquired from U.S. Offices

Mt. Vernon Bank, NY branch sells loans to Mt. Vernon Bank, Paris at a book value of \$10 million for \$5 million.



\$10 million

\$5 million



What should be reported on Worksheet Item 5?



Worksheet Item 4, 5: Assets held by own
IBF and Non-U.S. Offices Acquired from U.S. Offices

Answer

Mt. Vernon Bank, Paris pays \$5 million for the loans.

Mt. Vernon Bank, NY reports \$5 million in line 5.



Worksheet Item 5: Credit Extended by Own Non-U.S. Branches to
U.S. Residents (all institutions other than U.S. Branches & Agencies
of Foreign Banks)

- Include in this item the amount of credit extended by the reporting institutions' non-U.S. branches to U.S. residents
- Exclude credit extended if:
 - Amount by a single non-U.S. branch did not exceed \$1 million, or
 - Amount by all non-U.S. branches did not exceed \$100,000



Summary

- Liabilities and Claims with Non-U.S. Parent and its Non-U.S. offices Plus Net IBF Position
- Net IBF Position
- Capital Contribution
- Total Assets

