

Federal Financial Institutions Examination Council



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May 10, 2000

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: Country Exposure Report and Country Exposure Information Report for the Second Quarter of 2000

Enclosed are the reporting forms and instructions for the Country Exposure Report (FFIEC 009) and the Country Exposure Information Report (FFIEC 009a Report) for the June 30, 2000, report date. The forms have been revised to reflect new expiration dates that were recently approved by the Office of Management and Budget (OMB). There are no other changes to the report forms or the FFIEC 009a instructions. However, a minor clarification has been made to the FFIEC 009 instructions to address the treatment of credit derivatives.

As discussed more fully in section K of the instructions, credit derivatives that meet certain criteria are to be reported as guarantees or commitments. All other credit derivatives should be ignored for purposes of this report. Additionally, Part IV—Instructions for Specific Columns of the Report contains specific examples of the reporting of credit derivatives. For the June 30, 2000, report date only, you may use reasonable estimates for reporting credit derivatives if the requested information is not readily available.

Please complete your FFIEC 009 and FFIEC 009a Reports as soon as possible and submit them to the appropriate Federal Reserve Bank or to the International Banking and Finance Department of the Office of the Comptroller of the Currency, in accordance with the filing requirements discussed in the instructions to those reports. Your completed report must be received by August 14, 2000 to be considered timely. No extensions of time for submitting reports will be granted. Sample FFIEC 009 and FFIEC 009a forms and instructions are also available on the FFIEC web site at http://www.ffiec.gov/ffiec_report_forms.htm.

For further information or assistance concerning the FFIEC 009 and FFIEC 009a Reports, state member banks should contact their Federal Reserve District Bank. National and FDIC-supervised banks should contact Frank Carbone, Senior Advisor, International Banking and Finance Department, Office of the Comptroller of the Currency at (202) 874-4730.

Sincerely,

Keith J. Todd, Executive Secretary

Country Exposure Information Report as of _____

Reporting Institution

City State

Name, title, and phone number of bank officer to whom inquiries regarding this report may be directed:

Name

Title

Area Code/Phone Number

This report is required to be filed by national banks, state member banks and bank holding companies, and insured state nonmember commercial banks pursuant to authority contained in Section 907 of 12 U.S.C. 3906.

Public reporting burden for this collection of information is estimated to average 5.25 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. A Federal agency may not conduct or sponsor, and an organization (or a person) is not required to respond to a collection of information, unless it displays a currently valid OMB control number. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Secretary, Board of Governors of the Federal Reserve System, Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0035), Washington, DC 20503.

A photocopy of this report will be released to the public upon request.

Country Exposure Information Report

FFIEC 009a

General Instructions

This report is a supplement to the Country Exposure Report (Form FFIEC 009) filed with the banking regulatory agencies for bank examination purposes. The purpose of the Country Exposure Information Report is to provide public disclosure of significant country exposures of U.S. banking institutions. A photocopy of this report will be made available to the public by regulatory agencies upon request.

Who Must Report

This report must be filed by every institution that submits Form FFIEC 009 and that has exposure meeting the reporting requirements for Form FFIEC 009a as defined in these instructions.

This supplemental disclosure report (Form FFIEC 009a) has two parts: Part A and Part B. Part A will be completed when exposure, as defined for Column 4, Part A, to a single country exceeds one percent of the banking institution's total assets or exceeds 20% of the banking institution's total capital, whichever is less. Part B will be used to report the names of the countries where the amount of exposure exceeds 0.75 percent but does not exceed 1 percent of the banking institution's total assets or is between 15 percent and 20 percent of the banking institution's total capital, whichever is less. The banking institution must only list the names of the countries and the aggregate amount of exposure for all countries listed under Part B. For the purposes of meeting this criteria, exposure is defined as the amount of total claims computed in accordance with the instructions to Column 4, Part A.

Total assets of reporting banks are those submitted on the Report of Condition to the federal bank supervisors as of the same date. For bank holding companies total assets are those submitted on the most recent Form FR Y-9.

Total capital is as defined in the agencies' guidelines on capital adequacy and consists of Tier 1 plus Tier 2 capital.

Filing of Reports

The report is to be prepared quarterly, as of the end of March, June, September and December. Two copies of the completed report should be submitted within 45 days of the reporting date. Reporting national banks and state non-member banks should submit their reports to the Comptroller of the Currency, International Banking and Finance, Washington D.C. 20219. Reporting state member banks should send their reports to the Federal Reserve Bank of the district where the reporting institution is located. Reporting non-member insured banks also should submit one copy of their report to their respective Federal Deposit Insurance Corporation regional office.

Respondent bank holding companies should submit copies to both the district Federal Reserve Bank and to the supervisory agency for the bank that meets the reporting criteria.

Rounding

Round all amounts reported on this form to the nearest million dollars.

Part A

Country

The countries listed in Part A should be those where exposure, as defined for Column 4, Part A, exceeds 1 percent of total assets or 20 percent of total capital, whichever is less. The names of the countries reported should be as they appear on Form FFIEC 009.

FFIEC 009a

Column 1: Amount of Cross-border Claims Outstanding After Mandated Adjustments for Transfer of Exposure (excluding derivative products)

For each country line reportable on the FFIEC 009a report, report in Column 1 the sum of the following columns from Schedule 1 of the FFIEC 009 report:

Column 4, Schedule 1
Less Column 8, Schedule 1
Less Column 9, Schedule 1
Less Column 10, Schedule 1
Plus Column 11, Schedule 1
Plus Column 12, Schedule 1
Plus Column 13, Schedule 1

Column 2: Amount of Net Local Country Claims (including derivative products)

List the total amount of *net* local country claims on local residents: From the FFIEC 009 report, Local Country Claims (Column 18 of Schedule 1 and Column 6 of Schedule 2) *less* Local Country Liabilities (Column 19 of Schedule 1 and Column 7 of Schedule 2), *if* the difference is positive (do not include if the difference is negative).

Column 3: Amount of Cross-Border Claims Outstanding from Derivative Products after Mandated Adjustments for Transfer of Exposure

List the total amount of cross-border claims from derivative products: From the FFIEC 009 report, Column 4, Schedule 2.

Column 4: Adjusted Cross-Border and Foreign Office Local Country Claims

Total of Column 1 *plus* Column 2 plus Column 3.

Columns 5 to 9: Distribution of Cross-Border Claims Outstanding (excluding derivative products)

Columns 5, 6, and 7: Distribute the amounts in Column 1 by type of borrower: Banks (Column 5), Public Sector Entities (Column 6), and Other (Column 7). The definition of these groups are as given in the instructions to Form FFIEC 009. The sum of Columns 5, 6, and 7 must equal Column 1.

Columns 8 and 9: Distribute the amounts in Column 1 according to time remaining to maturity as defined in Form FFIEC 009. One Year and Under (Column 8) and Over One Year (Column 9).

In completing Columns 8 and 9, estimates may be used.

Part B

Provide the name of each country not listed in Part A where the institution has exposure, as defined for Column 4 of Part A, that exceeds 0.75 percent but does not exceed 1 percent of the reporting institution's assets or is between 15 percent and 20 percent of its total capital, whichever is less. In the box provided, give the total amount of exposure to all of the countries listed in Part B.

Optional Management Statement Concerning the Country Risk Information Reported On FFIEC 009a

The management of the reporting institution may, if it wishes, submit a brief statement concerning the data submitted on this report. This statement may be used by management to explain any differences between the information contained in this report and information filed with the Securities and Exchange Commission pursuant to U.S. securities laws, or to provide any other information concerning the data that management believes would further public understanding of the reporting institutions country exposure.

All information in the narrative statement must be accurate and not misleading. Appropriate efforts shall be taken by the filing institution to ensure the statement's accuracy.

As this optional statement will be made available to the public as submitted, institutions choosing to submit it should ensure that the statement does not contain information that they are not willing to have made public or that would compromise the privacy of their customers.

The optional statement must be entered in the space provided on form 009a, with no use of additional sheets. Photo copies of the report will be provided to the public upon request. Only information entered within the space provided on the form will be copied and made available to the public.