



January 2, 2018

TO: U.S. Branches and Agencies of Foreign Banks

SUBJECT: Proposed Revisions to the FFIEC 002, Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks, and FFIEC 002S, Report of Assets and Liabilities of a Non-U.S. Branch that is Managed or Controlled by a U.S. Branch or Agency of a Foreign (Non-U.S.) Bank

The Federal Financial Institutions Examination Council (FFIEC) has given initial approval to proposed revisions to the FFIEC 002 and FFIEC 002S that were published for public comment in the *Federal Register* on December 27, 2017 (82 FR 61294). The reporting changes would take effect for the June 30, 2018, report date, subject to approval by the U.S. Office of Management and Budget.

The proposed revisions to the FFIEC 002 and FFIEC 002S would delete or consolidate certain items, establish certain reporting thresholds, make instructional clarifications, and address changes in accounting for equity securities and other equity investments under Financial Accounting Standards Board Accounting Standards Update (ASU) No. 2016-01. All revisions are consistent with those previously made to or currently proposed for the Consolidated Reports of Condition and Income filed by banks and savings associations.

Although the proposed revisions would not take effect until June 30, 2018, institutions that apply ASU 2016-01 in the first quarter of 2018 will need to report their holdings of equity investments in accordance with this accounting standard within the existing structure of the FFIEC 002 for March 31, 2018. The Federal Reserve Board's transmittal letter to institutions for the March 31, 2018, report date will provide such interim reporting guidance to institutions that have adopted ASU 2016-01.

The Federal Reserve Board's December 27, 2017, *Federal Register* notice, as well as redlined forms and instructions concerning these revisions, may be obtained at <https://www.ffiec.gov/forms002.htm>.

Comments on the proposal, which are due by February 26, 2018, may be submitted to the Federal Reserve Board by any of the methods described in the *Federal Register* notice. All comments received will be shared among the banking agencies and will be available to the public.

If you have any questions concerning the FFIEC 002 and FFIEC 002S proposed revisions, please contact John Simone at the Federal Reserve Board (202-245-4256, john.c.simone@frb.gov).

signed by

Judith E. Dupré
Executive Secretary