



BANK REPORTS

FIL-23-2003
March 28, 2003

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: Reports of Condition and Income (Call Report) for First Quarter 2003

The enclosed materials pertain to the Reports of Condition and Income (Call Report) for the March 31, 2003, report date. Please complete your first quarter Call Report, review it for accuracy, and submit the report electronically as soon as possible. Except for certain banks with foreign offices, your completed report must be received by April 30, 2003, in accordance with the filing requirements discussed below. **No extensions of time for submitting reports are granted.**

If you complete the preparation, editing, and review of your Call Report before the submission deadline, please file the report immediately rather than waiting. Early submission aids the banking agencies in their editing, review, and analysis of the reports. If you later find that certain information needs to be revised, please make the appropriate changes to your Call Report and promptly submit the revised data.

As the Federal Financial Institutions Examination Council (FFIEC) previously advised you, certain revisions to the Call Report are scheduled to take effect this quarter (see FIL-18-2003, dated March 10, 2003). These revisions are under review by the U.S. Office of Management and Budget. The principal changes involve the reporting of insurance-related income, the transactional capability of bank Web sites, credit enhancements for securitizations, accrued fees and finance charges on credit cards at banks with significant credit card activity, the fair values of derivatives at small banks with such contracts, and allocated transfer risk reserves. For the March 31, 2003, report date only, banks may report a reasonable estimate for any new or revised item for which the requested information is not readily available.

In addition, beginning this quarter, the banking agencies will collect contact information for the persons who are in charge of your bank's anti-money laundering searches under Section 314(a) of the USA PATRIOT Act. This contact information will be used by the agencies and the Financial Crimes Enforcement Network (FinCEN) and will not be released to the public.

All banks are reminded to provide information on the level of auditing work performed by independent external auditors during 2002 (Schedule RC, Memorandum item 1). This information is reported only as of the March 31 report date each year. In addition, institutions with more than \$250 million in fiduciary assets as of December 31, 2002, or whose gross fiduciary and related services income exceeded 10 percent of revenue during 2002 must report information on their trust assets and income in Schedule RC-T, Fiduciary and Related Services, each quarter during 2003.

The enclosed update to your Call Report instruction book covers the reporting changes taking effect in the first quarter of 2003. A sample set of March 31, 2003, report forms for your bank also is enclosed. These sample forms are essentially identical to the ones marked "Draft" that were posted on the FFIEC's Web site on March 10 and attached to FIL-18-2003. Sample forms and the Call Report instructions are available on both the FFIEC's Web site (www.ffiec.gov) and the Federal Deposit Insurance Corporation's (FDIC) Web site (www.fdic.gov).

Each bank must file its March 31, 2003, Call Report in one of the following two ways:

- A bank may use computer software to prepare and edit its report and then file the report directly with the banking agencies' electronic collection agent, Electronic Data Systems Corporation (EDS). The Call Report data file can be sent to EDS electronically by modem or on a computer diskette.
- An institution may complete its report in paper form and arrange with EDS, a Call Report software vendor, or another party to convert its paper report to electronic form. If a party other than EDS performs this service, that party must electronically transmit the bank's Call Report data file to EDS.

The filing of a Call Report that is submitted electronically to EDS by modem will be considered timely if it is transmitted to EDS no later than April 30, 2003. A bank that submits its Call Report to EDS on a computer diskette must make sure that the diskette is properly addressed, mailed first class, and postmarked on or before April 27, 2003, to be considered filed on time. Alternatively, a bank may send the diskette to EDS using an overnight delivery system no later than April 29, 2003. However, a computer diskette that EDS cannot read will not be accepted and the bank must resubmit its report in readable form. This may result in EDS receiving the bank's Call Report data file after the submission deadline.

A bank that has or has had more than one foreign office, other than a "shell" branch or an International Banking Facility, is permitted an additional 15 days to complete its Call Report. Such a bank is required to electronically transmit its report to EDS no later than May 15, 2003. However, on or about May 1, 2003, the FDIC expects to conduct a phone survey of some banks with more than one foreign office to obtain certain deposit data needed to estimate insured deposits.

For further information or assistance concerning the Call Report, state member banks should contact their Federal Reserve District Bank. National and FDIC-supervised banks should contact the FDIC's Reports Analysis and Quality Control Section in Washington, D.C., by telephone at (800) 688 FDIC (3342) or (202) 898 6607, Monday through Friday between 8:00 a.m. and 5:00 p.m., Eastern Time, or by e-mail at supervision@fdic.gov. Thank you for your cooperation.

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Enclosures

Distribution: Insured Commercial Banks and FDIC-Supervised Savings Banks