

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

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中國銀行

**BANK OF CHINA**

NEW YORK BRANCH

410 MADISON AVENUE  
NEW YORK, NY 10017-1191  
TELEPHONE: (212) 935-3101

TELEX: ITT 423635 WU 661723  
CABLE: CHUNGKUO  
S.W.I.F.T. BKCH US 33

February 22, 2008

Ms. Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, DC 20551

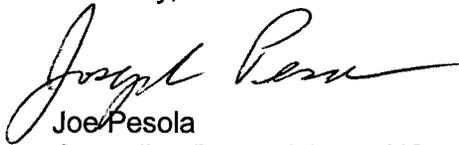
Re: Bank of China Comment  
Form Numbers: FFIEC 002; FFIEC 002S  
OMB Numbers: 7100-0032; 7100-0273

Dear Ms. Johnson:

I am responding to the request for comment concerning the OMB control numbers shown above. Given the comprehensive nature of the suggested changes to FFIEC 002, I have taken the liberty of summarizing the proposed changes in the attached document and providing comment for each of the items noted.

If you require any clarification, please contact me at (212) 935-3101 Ext. 433 or if you would prefer at [jpesola@bocusa.com](mailto:jpesola@bocusa.com).

Sincerely,



Joe Pesola  
Controller, Bank of China USA

cc: OMB Desk Officer  
Office of Information and Regulatory Affairs  
U.S. Office of Management and Budget  
New Executive Office Building, Room 10235  
725 17<sup>th</sup> Street, N.W.  
Washington DC 20503

Bank of China USA  
Response to Federal Register Request for Comment  
Form Numbers: FFIEC 002; FFIEC 002S  
OMB Numbers: 7100-0032; 7100-0273

Schedule	Item	Item Description	Proposed Action	Alternate Reporting	Bank of China USA Comment
N/A	N/A	Requirement for the branch/agency CFO's signature on FFIEC 002 and FFIEC 002S and contact information for CFO and another contact person			FFIEC 002S is not currently an issue for the Bank of China. Re FFIEC 002, accepted provided that it is understood that it will be the CFO or equivalent position. Also, we assume that the contact information will replace existing contact information.
RAL	1.g	Customers' Liability to this branch or agency on acceptances outstanding	Delete		Accepted
	I.g.(1)	U.S addressees (domicile)	Delete	RAL 1.h - Other Assets	Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
	I.g.(2)	Non-U.S addressees (domicile)	Delete	RAL 1.h - Other Assets	Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
RAL	4.d	Branch or agency liability on acceptances executed and outstanding	Delete	RAL 4.f - Other Liabilities	Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
C, Part I	Memo 2.	Holdings of own acceptances included I Schedule C, Part I, Item 4	Delete		Accepted
L	5	Participations in acceptances conveyed to others by the reporting branch or agency	Delete		Accepted
M, Part V	5	Participations in acceptances conveyed to related depository institutions by the reporting branch or agency	Delete		Accepted
C	1	Loans secured by real estate Construction, land development, and other land loans. Loans secured by farmland (including farm residential and other improvements). Revolving, open-ended loans secured by 1-4 family residential properties and extended under lines of credit. Closed-end loans secured by 1-4 family residential properties. Loans secured by multi-family (5 or more) residential properties. Loans secured by non farm nonresidential properties.	New Categories		Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
C	New	For loans measured at fair value under a fair value option Fair value of loans classified as trading on Schedule RAL Unpaid principle balance of loans classified as trading on Schedule RAL Fair value of loans <u>not</u> classified as trading on Schedule C Unpaid principle balance of loans <u>not</u> classified as trading on Schedule C			Not currently an issue for BOC USA

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Q	New	Apparently refers to FASB 157 - Fair Value Measurement (1) Schedule Q is to report the carrying amount of major asset & liability categories for which a fair value option has been applied (2) For items in (1) segregate data for assets and liabilities under levels 1, 2 and 3 fair value hierarchy presumably identified in FASB 157  (3) Include data on trading assets and liabilities for branches and agencies that reported trading assets of \$2 Mil. or more in any of the preceding 4 quarters. (4) Disclosure will be required for netted amounts.			Would prefer to see a proform of Sch. Q before a final response is given. However, if the items are as indicated in the information request letter, accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
L	New	Breakdown of the notional amounts by type of credit derivative and designate if reporting entity is beneficiary or guarantor.			Not currently an issue for BOC USA
M, Part V		Breakdown of the notional amounts by type of credit derivative and designate if reporting entity is beneficiary or guarantor.			Not currently an issue for BOC USA
O		Other Data for Deposit Insurance Assessments Items 1 through 7 and Memorandum items 4 and 5 will be replaced by 6 items (not yet identified)			Would prefer additional detail of the proposal before responding.
S	Col.G	Servicing, Securitization and Asset Sale Activities All other loans, all leases and all other assets Col. G and pertinent instructions will include securitization transactions involving assets other than loans			Not currently an issue for BOC USA
E	Memo 1.a	Time Deposits of \$100,000 or more - Exclusion of brokered time deposits => \$100,000			Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
	Memo 1.c	Time Deposits of \$100,000 or more with remaining maturity of more than 12 months - Exclusion of brokered time deposits => \$100,000			Accepted provided sufficient lead time is given for transition. Given the number of changes requested, implementation as of December 31, 2008 would be more appropriate.
	New Memo 1.b	Identification of IRA/Keogh plans reported in Memo 1.a			Not currently an issue for BOC USA
	Col. D	Instructions will indicate that Col. D should exclude IBF liabilities reported as Fed Funds, Repos or Other Borrowed Money.			Accepted
RAL		Revising existing breakdowns of federal funds and Repos			Would prefer additional detail of the proposal before responding.

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N/A	N/A	Comment re potential use of IFRS in preparing FFIEC 002 and FFIEC 002s			FFIEC 002S is not currently an issue for the Bank of China. Re FFIEC 002, we would prefer an election of US GAAP or IFRS, with any change subject to written permission from the FED.