

Notes and Instructions for Form 3 Series and for Forms 5A and 5B

1. The International Transactions Reporting System (ITRS) collects information from banks via a number of forms.

Definitions of Residents and Nonresidents

2. A **nonresident** is an individual, enterprise, or other organization ordinarily domiciled in a country other than Newland. Newland branches and subsidiaries of nonresident companies are regarded as **residents** of Newland. Similarly, foreign branches and subsidiaries of Newland companies are regarded as nonresidents.

Form 3 Series

3. The basic forms are the ITRS Form 3-2—Payments/Receipts. These should be completed by **residents** of Newland who make payments in to, or receive payments from, **nonresidents**, in any currency. Supplementary Form 3-3—Imports and Exports are required for transactions involving goods arriving in or departing from Newland. To reduce reporting burdens and processing costs associated with the form 3 series, a number of **exemptions** are permitted. These include:
 - (a) Transactions in the amount less than the equivalent of ND 5,000. However, transactions below this level are the subject of small sample surveys (see note 8).
 - (b) Purchases and sales of travelers' checks. These should be reported by your bank on ITRS Form 5A—Banks, part B at the time the travelers' checks are settled with nonresident banks.
4. In accordance with ITRS collection arrangements, your bank is responsible for making **resident bank customers** aware of their obligations to complete ITRS form 3-2. In most cases, forms 3-2 should be completed when customers enter your bank to undertake the relevant transactions. (Some banks have combined the ITRS forms with bank forms on which payment instructions are specified.) Persons or enterprises engaging in transactions valued at the equivalent of ND 100,000 or more per year should register with the Newland Ministry of Statistics to obtain a **transactor code**.
5. Tracking the occurrence of payments made, in Newland dollars, by residents to nonresidents is more difficult; resident transactors may engage in such transactions without approaching a bank. When particular persons or enterprises regularly conduct such transactions, the Newland Ministry of Statistics will make special arrangements for resident principals to report the transactions directly to the ministry.
6. The staff of your bank should be familiar with forms 3-2 and with ITRS Form 3-1—Classifications, which is used by transactors to complete other forms. An **ITRS training package** is available from the Newland Ministry of Statistics, or your bank may telephone Mr. Smith for assistance at the numbers shown on page one (upper right-hand corner) of this form.
7. Your bank should maintain a sufficient supply of forms and should also, if customers complete forms regularly, encourage them to maintain supplies of forms for their use. Your bank may order forms by contacting the Newland Ministry of Statistics at the address shown on page one of this form.
8. Your bank may also encounter ITRS Form 3-2S—Sample. These modified versions of forms 3-2 collect data on a sample of transactions valued at amounts below a designated threshold. The information is used to determine appropriate classifications for those transactions.

ITRS Form 5A—Banks

9. ITRS Form 5A primarily collects data on payments and receipts for your bank's own accounts with **nonresidents**. Separate entries should be recorded for each transaction of ND 5,000 or more; smaller transactions may be combined. When several transaction codes apply to a receipt or a payment or result from payments being partly offset against receipts (or vice versa), the underlying gross transactions should be recorded. (See ITRS Form 3-1—Classifications for further information on **multi-payment transactions**.) Similarly, **offset transactions** (also described on form 3-1) that do not result in bank account entries but otherwise affect the banks' external asset and liability position should also be recorded.
10. Form 5A can be used as a pro forma for supplying relevant data in computer readable form, or information may be entered on the form itself. If space to record all transactions is insufficient, please be sure to attach the additional details.

Completing ITRS Form 5A—Banks

Part A

11. The **bank reference number** is listed on page one of this form. The **currency code** classification is shown on ITRS Form 3-1—Classifications. Month and year should be entered as a four-digit number (e.g., 0494 for April 1994).

Part B

12. The **day** should be recorded as a two digit-number (e.g., 02 would represent the second day of the month). **Number** is a three-digit code. The number 001 should be the first number used each day. Subsequent numbers should be used for subsequent transactions. The **transaction code**, the **transaction type**, the **other party code**, and the **country code** should be taken from form 3-1.
13. To reduce the reporting burden and limit processing costs, data should be reported in thousands or millions of currency units; and small transactions should be combined. For multi-payment and offset transactions, it is necessary to identify the underlying transactions, and these should be reported on a gross basis.
14. In columns G and I where values should be expressed in Newland dollars, transactions should be converted at the **midpoint** of the buy and sell rates applicable on the date of the transaction.

Part C

15. Part C facilitates checking of the conversion rates used in part B. Any unusual conversion rates should be explained.

Parts D, E, and F

16. Parts D, E, and F facilitate reconciliation of stock position and flow data supplied in various forms. Data in part D represent a summary of form 5B, which is described subsequently. Any significant reconciliation amounts reported in column E of parts E or F should be explained. For transactions in Newland dollars, closing balances in part E, columns A and B should be recorded as zero—unless the bank holds Newland dollar accounts with nonresident banks, in which case the balance of these accounts should be recorded. See form 3-1 for a list of **country codes**.

Part G

17. The **asset/liability code** should be selected from codes 710 through 790 for assets and 810 through 890 for liabilities from the **transaction code** classification shown on form 3-1. The **nonresident party** code and the **country code** should be selected from **other party codes** and the **country** classifications, respectively, shown on form 3-1. One line should be used for each asset/liability, nonresident party, and country combination. For example, if a bank held a portfolio of equity securities in a nonbank enterprise in the United States and had long-term U.S. dollar loans from banks in the United States and the United Kingdom, three entries should be made:

A	B	C
710	7	001
850	6	001
850	6	002

18. In column A, 710 represents shares in nonresident enterprises and 850 long-term loan liabilities to nonresidents. In column B, 7 represents a nonresident, nonbank entity and 6 represents a nonresident bank. In column C, 001 represents the United States, and 002 represents the United Kingdom.

Part H

19. This section is included to assist you in checking the form before you return it.

ITRS Form 5B—Bank's Record of Transactions

20. In accordance with ITRS collection arrangements, your bank should, for transactions that pass through the bank, maintain a record of all transactions with **nonresidents**. A copy of these records should be sent to the Newland Ministry of Statistics, within six days of the end of the

reference month, on ITRS Form 5B—Record of Transactions. Entries in some table cells are not required (note /// marks). For example, in columns E, F, and G, only currency code, payments and receipts, and value are required. For column A (bank's own transactions), greater detail is required on the ITRS 5A—Banks; this column is included in the table on the form 5B to show the coverage provided by form 5A. Form 5B can be regarded as a pro forma for supplying data in computer readable form.

Other ITRS Forms

21. Your bank may encounter other special purpose ITRS collection forms requesting information on transactions that cannot readily be collected by using forms 3 and 5.

Part C. Exchange Rate Check

Please record the average implied exchange rates used in part B:

for payments (Total in column F / Total in column G)

for receipts (Total in column H / Total in column I)

Please explain any unusual exchange rates.

Part D. Transaction Summary
 (Report in millions of currency units)

Description of Transaction	Payments A	Receipts B
1. Bank's own account (column A = column F in part B and column B = column H in part B)		
2. Resident transactions—ND 5,000 or greater		
3. Resident transactions—less than ND 5,000		
4. Nonresident accounts—banks		
5. Nonresident accounts—nonbanks		
6. Total		

Part E. Reconciliation with Nostro Balances
 (Report in millions of currency units)

Currency Code A	Closing Account Balance for This Month (in foreign currency) B	Closing Account Balance for Previous Month (in foreign currency) C	Total Payments (as recorded in column A, row 6 of part D) D	Total Receipts (as recorded in column B, row 6 of part D) E	Reconciliation (A - B + C - D) F

Please explain the reconciliation item if it is significant.

Please specify the amounts reported in columns B and C by country.

Country Code						
Value in column B						
Value in column C						

Part F. Reconciliation of Accounts of Nonresidents
(Report in millions of units of currency)

Currency Code A	Closing Account Balance for This Month B	Closing Account Balance for Previous Month C	Total payments from Nonresident Accounts (as recorded in column A, rows 5 and 6, of part D) D	Total receipts for Nonresident Accounts (as recorded in column A, rows 5 and 6, of part D) E	Reconciliation (A - B + C - D) F

Please explain the reconciliation item if it is significant.

For the amounts reported in columns A and B, please indicate whether the account is held by a nonresident bank or nonbank and record the relevant country codes and amounts involved.

Bank/Nonbank						
Country code						
Value in column A						
Value in column B						

Part G. Other External Asset and Liability Positions

1. Report details of claims (other than nostro accounts) on and liabilities (other than vostro accounts and other deposits) to nonresidents.
2. Report in thousands of currency units.
3. A separate line should be used to record each asset/liability code, nonresident party code, and country code combination (see note 17 of instructions for form 5A).

Asset/ Liability Code A	Nonresident Party Code B	Country Code C	Closing Position for This Month D	Closing Position for Previous Month E	Payments Recorded in Part B F	Receipts Recorded in Part B G	Reconciliation (a) H

(a) For assets, $H = D - E + F - G$. For liabilities, $H = D - E - F + G$.

Please explain the reconciliation item if it is significant.

Part H. Final Questions

Please verify that the form has been completed correctly and mark the following boxes.

- The information in part A of the form is correct.
- Part B of the form has been completed in accordance with instructions. In particular, multi-payment and offset transactions have been reported on a gross basis. The totals for columns F, G, H, and I have been entered.
- The exchange rates in part C have been calculated, and the average exchange rates derived show that each transaction has been converted correctly. Any unusual conversion rates have been explained.
- Parts D, E, and F have been completed in accordance with instructions, and any significant reconciliation items have been explained.
- Part G has been completed in accordance with instructions, and any significant reconciliations have been explained.
- I have made a copy of this form for my records.

Name of person completing this form:..... Telephone number:

Signature: Facsimile number:



**Balance of Payments Survey
ITRS Form 5B—Bank's Record of Transactions**

Bank Name	Bank Reference Number	Month and Year

	Own Account Transactions of Bank A	Large Transactions of Residents (a) B	Small Transactions of Residents (b) C	Nonresident Accounts—Banks D	Nonresident Accounts—Nonbanks E
Currency code					
Payments					
Receipts					
Day and month			////////////////	////////////////	////////////////
Reference number of transaction			//////////////// //////////////// ////////////////	//////////////// ////////////////	//////////////// ////////////////
Resident transactor code	//////////////// ////////////////		//////////////// ////////////////	//////////////// ////	//////////////// ///
Value					

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