



---

# **BANKING COMMISSION**

**P.O. Box 1408**

**Majuro, Marshall Islands 96960**

**PHONE: (692) 625-6310**

**FAX: (692) 625-6309**

---

## ***INSTRUCTIONS AND REPORTING FORMS 12***

### **LIQUID ASSETS SCHEDULE**

---

#### **PURPOSE**

The Liquid Assets Schedule return assists the Banking Commission in assessing a bank's management of its day-to-day liquidity and compliance with Section 122 of the Banking Act, 1987.

---

#### **STATUTORY REFERENCE**

Under Section 137 (1), the Commissioner is obligated to notify banks in writing of regulatory reporting requirements intended to strengthen supervision of the RMI banks.

Instruction 12 represents the official reference source applicable for the Liquid Assets Schedule return, for use by bank personnel with responsibility for regulatory reporting.

Banks that fail to submit timely and accurate Liquid Assets Schedule returns may be subject to fines under Section 137 (3).

---

#### **FREQUENCY/SUBMISSION DATE**

All licensed banks are required to submit a weekly report on liquid assets as at the close of business on each Wednesday of and lodge it within one week with the Banking Commission.

---

#### **RECIPIENT**

Banking Commission, MIDB Building, Floor 5 Room 501, Majuro.

Phone: (692) 625-6310; Fax: (692) 625-6309; E-mail: bankcomm@ntamar.net

---

**SIGNING AUTHORITY**

---

The Senior RMI Officer of the institution concerned, or in his absence a designated officer must sign the completed return, to certify the accuracy of the information submitted.

# **INSTRUCTION 12**

## **LIQUID ASSETS SCHEDULE**

---

### **GENERAL DEFINITIONS**

---

Instruction 12 represents the general reference source for the Weekly Liquid Assets Schedule return.

#### **Deposits with banks and financial institutions outside the Marshall Islands**

Report the net balance of call and short term deposits with recognized banks and financial institutions which are denominated in US dollars or a foreign currency freely convertible into US dollars with a **term not exceeding 90 days**.

Recognized banks and financial institutions are those entities which are licensed by an appropriate supervisory authority to undertake banking or financial activities in their country of incorporation.

#### **Readily saleable securities**

Such assets must be unencumbered by any pledge or restriction on access and be readily transferable and convertible into cash **within two business days**.

BANKING COMMISSION

JUNE 2007