
Instructions for Preparation of Financial Statements for Employee Stock Ownership Plan Bank Holding Companies

FR Y-9ES

Who Must Report

A. Reporting Criteria

The *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) **must be filed by all employee stock ownership plans (ESOPs) that are also bank holding companies** as of the last calendar day of the calendar year.¹ ESOP bank holding companies should file the FR Y-9ES; no other FR Y-9 series form is required. **However**, bank holding companies that are subsidiaries of ESOP bank holding companies (i.e., a tiered bank holding company) must submit (a) the *Consolidated Financial Statements for Bank Holding Companies*—FR Y-9C, (b) the *Parent Company Only Financial Statements for Large Bank Holding Companies*—FR Y-9LP or (c) the *Parent Company Only Financial Statements for Small Bank Holding Companies*—FR Y-9SP in accordance with the appropriate reporting requirements.

The instructions for the FR Y-9C, FR Y-9LP, and FR Y-9SP are not included in this booklet but may be obtained from the district Federal Reserve Bank or from the “Reporting Forms” section of the Federal Reserve Board’s public website (www.federalreserve.gov).

B. Shifts in Reporting Status

If the status of an ESOP bank holding company changes from a one bank ESOP bank holding company to a multibank ESOP bank holding company, or vice versa, either directly or indirectly through a merger, acquisition, consolidation or sale, the ESOP bank holding company should continue to file the FR Y-9ES. When an event

1. Under Section 3(a)(1) of the BHC Act and Section 225 of Regulation Y, an ESOP may be required to register, and be regulated, as a bank holding company. For further information, contact the respective Reserve Bank where reports generally are filed. (See the Glossary entry for “Control.”)

such as this occurs, the ESOP bank holding company should disclose this in the Notes to the Financial Statements of the FR Y-9ES.

When there is dilution of the percentage of employer securities owned by the ESOP bank holding company through issuance of additional shares or other corporate actions, it should continue to file the FR Y-9ES as long as the ESOP remains or is deemed to be a bank holding company.

Where to Submit the Report

Electronic Submission

Beginning with the FR Y-9ES report submitted for December 31, 2003, reporting date, ESOP bank holding companies must submit their completed report electronically.

For procedures for electronic submission ESOP bank holding companies should contact their district Federal Reserve Bank or go to www.reportingandreserves.org.

When to Submit the Report

The *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) is required to be submitted no later than July 31 following the December 31 reporting date. However, for ESOP bank holding companies that have received an extension with the IRS on Form 5500 by filing Form 5558, the submission deadline of the FR Y-9ES will be extended to October 15 to coincide with the extended IRS deadline. For example, financial statements for December 31, 200x are required to be submitted no later than July 31, 200x for ESOP bank holding companies that have not received an extension with the IRS and October 15 for ESOP bank holding companies that have received an extension.

General Instructions

However, ESOP bank holding companies that filed for an extension with the IRS must send a copy of Form 5558 to the appropriate Federal Reserve Bank by July 31. Therefore, for purposes of the FR Y-9ES, the term ‘submission deadline’ applies to both the July 31 and October 15 deadlines and refers to the date by which the Federal Reserve must receive the ESOP bank holding company’s FR Y-9ES or the copy of Form 5558.

The report is due by the end of the reporting day on the submission deadline (i.e., 5:00 P.M. at each of the Reserve Banks).

If the submission deadline falls on a Saturday, Sunday (weekend) or holiday, the report must be received by 5:00 P.M. on the first business day after the weekend or holiday. Earlier submission would aid the Federal Reserve in reviewing and processing the reports and is encouraged. No extensions of time for submitting reports beyond October 15 are granted.

How to Prepare the Report

A. Applicability of GAAP

ESOP bank holding companies are required to prepare and file the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) in accordance with generally accepted accounting principles (GAAP) and these instructions. All reports shall be prepared in a consistent manner. The ESOP bank holding company’s financial records shall be maintained in such a manner and scope so as to ensure that the FR Y-9ES can be prepared and filed in accordance with these instructions and reflect a fair presentation of the ESOP bank holding company’s financial condition and results of operations.

When the Federal Reserve’s interpretation of how GAAP or these instructions should be applied to a specified event or transaction (or series of related events or transactions) differs from the reporting ESOP bank holding company’s interpretation, the Federal Reserve may require the ESOP bank holding company to reflect the event(s) or transaction(s) in its FR Y-9ES in accordance with the Federal Reserve’s interpretation and to amend previously submitted reports. The Federal Reserve will consider the materiality of such event(s) or transaction(s) in making a determination about requiring the ESOP bank holding company to apply the Federal Reserve’s

interpretation and to amend previously submitted reports. Materiality is a qualitative characteristic of accounting information which is defined in FASB Concepts No. 2 as “the magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstances, make it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.”

ESOP bank holding companies should retain workpapers and other records used in the preparation of these reports.

B. Report Form Captions and Instructional Detail

No caption on the report form shall be changed in any way. No item is to be left blank. An entry must be made for each item (i.e. an amount, a zero, or a “N/A”).

There may be areas in which an ESOP bank holding company wishes more technical detail on the application of employee benefit law and regulation. Such information may often be found in the Glossary section of these instructions or, in more detail, in the Internal Revenue Code, the Employee Retirement Income Security Act or related regulations. The employee benefit terms in the Glossary are intended to serve as an aid in the specific reporting situations rather than a comprehensive statement of employee benefit law.

Additional copies of this instruction book may be obtained from the district Federal Reserve Bank or from the “Reporting Forms” section of the Federal Reserve Board’s public website (www.federalreserve.gov).

C. Rounding

All dollar amounts must be reported in thousands of dollars, with the figures rounding to the nearest thousand. Items less than \$500 should be reported as zero.

Rounding could result in details not adding to their stated totals. However, to ensure consistent reporting, the rounded detail items should be adjusted so that the totals and the sums of their components are identical.

On the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies*, “Total assets” less “Total liabilities” must equal “Net assets available

General Instructions

for benefits.” These amounts must be derived from unrounded numbers and then rounded to ensure that these two items are equal as reported.

D. Negative Entries

Negative entries are generally not appropriate on the FR Y-9ES and should not be reported. Hence, assets with credit balances must be reported in liability items and liabilities with debit balances must be reported in asset items, as appropriate, and in accordance with these instructions.

However, on the Statement of Changes in Net Assets Available for Benefits, negative entries may appear as appropriate. Income items with a debit balance and expense items with a credit balance must be reported in parentheses rather than with a minus (–) sign.

E. Confidentiality

The completed version of this report generally is available to the public upon request on an individual basis. However, a reporting ESOP bank holding company may request confidential treatment for the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) if the ESOP bank holding company is of the opinion that disclosure of specific commercial or financial information in the report would likely result in substantial harm to its competitive position, or that disclosure of the submitted information would result in unwarranted invasion of personal privacy.

A request for confidential treatment must be submitted in writing concurrently with the submission of the report. The request must discuss in writing the justification for which confidentiality is requested and must demonstrate the specific nature of the harm that would result from public release of the information. Merely stating that competitive harm would result or that information is personal is not sufficient.

Information for which confidential treatment is requested may subsequently be released by the Federal Reserve System if the Board of Governors determines that the disclosure of such information is in the public interest.

F. Verification and Signature

Verification. All addition and subtraction should be double-checked before the report is submitted. Totals and subtotals in supporting materials should be cross-

checked to corresponding items elsewhere in the report. Before a report is submitted, all amounts should be compared with the corresponding amounts in the previous report. If there are any unusual changes from the previous report, a brief explanation of the changes should be attached to the submitted report.

Signature. The *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* must be signed by an authorized officer of the employee stock ownership plan. This individual should be an official authorized by the plan documents to act on behalf of the ESOP.

ESOP bank holding companies must maintain in their files a manually signed and attested printout of the data submitted. The cover page of the Reserve Bank-supplied, holding company’s software, or from the Federal Reserve’s website report form should be used to fulfill the signature and attestation requirement and this page should be attached to the printout placed in the ESOP bank holding company’s files.

G. Amended Reports

The Federal Reserve may require the filing of amended *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* if the report previously submitted contains significant errors. In addition, an ESOP bank holding company should file an amended report when internal or external auditors make audit adjustments that result in a restatement of financial statements previously submitted to the Federal Reserve. In the event that certain of the required data are not available, ESOP bank holding companies should contact the appropriate Reserve Bank for information on submitting a revised report.

H. Organization of the Instruction Book

The instruction book is divided into two sections:

- (1) The General Instructions describing overall reporting requirements.
- (2) The Line Item Instructions for each schedule of the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES).

The instructions and definitions in section (2) are not necessarily self-contained; reference to more detailed treatments in the Glossary may be needed.

LINE ITEM INSTRUCTIONS FOR THE

Statement of Changes in Net Assets Available for Benefits Schedule SC

The Statement of Changes in Net Assets Available for Benefits reflects changes in net assets available for benefits for the calendar year, the period from January 1 to December 31 for Employee Stock Ownership Plans (ESOPs). If the ESOP was formed during the calendar year, the Statement of Changes in Net Assets Available for Benefits should reflect changes in the value from the date of formation to the end of the calendar year (i.e., December 31).

For leveraged ESOPs, additions and deductions should include both allocated and unallocated (suspense account) amounts. Transfers from unallocated to allocated should not be reflected because they do not affect net assets available for plan benefits. (See the following Glossary entries: “Leveraged ESOPs,” “Net Assets Available for Benefits,” and “Suspense Shares.”)

Investment Income

Line Item 1 Net appreciation (depreciation) in fair value of investments:

Line Item 1(a) Employer securities.

Report the change in fair value of employer securities. Realized gains and losses need not be segregated from unrealized gains and losses relating to investments held at year-end. If the amount reported is a net loss, enclose it in parentheses.

Line Item 1(b) Other securities.

Report the change in fair value of all other securities. Realized gains and losses need not be segregated from unrealized gains and losses relating to investments held at year-end. If the amount reported is a net loss, enclose it in parentheses.

Line Item 2 Interest income.

Report interest income paid or payable to the ESOP for the current reporting period related to cash balances or debt securities reported in items 1, 2(b), 3(b), 4 and 9 of the Statement of Net Assets Available for Benefits.

Line Item 3 Dividend income.

Report dividend income declared or paid to the ESOP during the calendar year-to-date. Include dividends that were payable but that will not be received until after the report date.

Line Item 4 Employer contributions.

Report total employer contributions declared (whether or not yet received), during the current reporting period. Include in this item both cash and noncash contributions. Noncash contributions should be recorded at fair value. **A description of noncash contributions should be provided in the Notes to the Financial Statements.**

Line Item 5 Participant contributions.

Report contributions authorized by plan participants for the current reporting period whether or not the contributions have been remitted to the ESOP.

Line Item 6 Other additions.

Report the amount of all other additions to the net assets available for benefits recognized by the ESOP, that is not reported in items 1 through 5 above.

Line Item 7 Total additions.

Report the sum of items 1(a), 1(b), 2, 3, 4, 5, and 6.

Line Item 8 Interest expense.

Report loan interest and any other interest paid or payable by the ESOP for the calendar year-to-date. Include

Schedule SC

only expenses paid by the ESOP and do not include expenses paid by a lower tier bank holding company or a bank on behalf of the ESOP unless such payments were reimbursed by the ESOP.

Line Item 9 Insurance expenses.

Report the difference between the premium paid and the cash surrender value of life insurance.

Line Item 10 Distributions paid to participants.

Report distributions that were paid or payable to participants for the calendar year-to-date.

Line Item 11 Other deductions.

Report any other deductions from net assets available for benefits not included in items 8, 9, and 10 above, such as plan administration expenses. Include only expenses paid by the ESOP and do not include expenses paid by a lower tier bank holding company or a bank on behalf of the ESOP unless such payments were reimbursed by the ESOP.

Line Item 12 Total deductions.

Report the sum of items 8, 9, 10, and 11.

Line Item 13 Net increase (decrease).

Report the difference between item 7 minus item 12. If amount reported is a net decrease, enclose it in parentheses. This amount should be equal to the difference between items 14 and 15.

Line Item 14 Beginning of year: net assets available for benefits.

Report the net assets available for benefits as of the previous calendar year-end.

Line Item 15 End of year: net assets available for benefits.

Report the net assets available for benefits as of the end of the statement period, the sum of items 13 and 14. This item must equal the Statement of Net Assets Available for Benefits schedule, item 15.

Statement of Net Assets Available for Benefits

Schedule SB

The Statement of Net Assets Available for Benefits reflects, as of the report date, the net assets that ultimately are available to pay benefits. For leveraged ESOPs, assets reported on this schedule should include both allocated and unallocated (suspense account) amounts.

Assets

Line Item 1 Cash and Cash Equivalents (including money market instruments).

Report cash and cash equivalents both noninterest bearing and interest bearing. For the purposes of this report, cash and cash equivalents includes cash, and other financial instruments that are both: (a) readily convertible into cash and (b) have a remaining maturity of three months or less. Examples of items commonly considered cash equivalents are Treasury bills, commercial paper, or money market funds. Cash purchases and sales of those investments, if included here, should be part of the cash management activities rather than part of investing activities. Securities that are purchased as investments should be reported in items 2 through 4 below.

Overdrafts should not be reported in this item. Overdrafts should be reported under item 13, "Other liabilities."

Line Item 2 Bank holding company securities.

Plan investments, whether equity or debt securities or other investments, shall be presented at their fair value as of the report date. The fair value of an investment is the amount that the ESOP could reasonably expect to receive in a current arms-length sale between a willing buyer and a willing seller, that is, other than in a forced or liquidation sale. Fair values shall be measured by the market price if there is an established securities trading market for the investment. If no active market for the employer securities exists, fair values shall be determined by an annual independent appraisal.

Line Item 2(a) Equity securities.

Report the fair value of equity securities in a bank holding company employer or sponsor as of the report date. Equity securities reported in this item should include qualifying employer securities. (See the Glossary entries "Qualifying Employer Securities" and "Sponsoring Employer.") Non-qualifying employer equity securities should be reported in item 9, "Other assets."

Line Item 2(b) Debt securities.

Report on this item the fair value of debt securities in a bank holding company employer or sponsor as of the report date. Debt securities reported in this item should include qualifying employer securities. (See the Glossary entries "Qualifying Employer Securities" and "Sponsoring Employer.") Non-qualifying employer debt securities should be reported in item 9, "Other assets."

Line Item 3 Bank securities.

Plan investments, whether equity or debt securities or other investments, shall be presented at their fair value as of the report date. The fair value of an investment is the amount that the ESOP could reasonably expect to receive in a current arms-length sale between a willing buyer and a willing seller, that is, other than in a forced or liquidation sale. Fair values shall be measured by the market price if there is an established securities trading market for the investment. If no active market for the employer securities exists, fair values shall be determined by an annual independent appraisal.

Line Item 3(a) Equity securities.

Report the fair value of equity securities in a bank employer or sponsor as of the report date. Equity securities reported in this item should include qualifying employer securities. (See the Glossary entries "Qualifying Employer Securities" and "Sponsoring Employer.")

Schedule SB

Non-qualifying employer equity securities should be reported in item 9, "Other assets."

Line Item 3(b) Debt securities.

Report the fair value of debt securities in a bank employer or sponsor as of the report date. Debt securities reported in this item should include qualifying employer securities. (See the Glossary entries "Qualifying Employer Securities" and "Sponsoring Employer.") Non-qualifying employer debt securities should be reported in item 9, "Other assets."

Line Item 4 Securities (other than securities reported in items 1, 2, 3, and 9).

Diversified ESOPs that hold marketable debt and equity securities other than qualifying employer securities or sponsor securities, should report the fair value of those securities in this item. Do not include bank or bank holding company employer securities held by the ESOP in this item; those investments should be reported on either item 2, 3 or 9.

Line Item 5 Employer's contribution receivable.

Employer's contribution receivables are amounts due as of the report date. Amounts due include those pursuant to formal commitments and legal obligations. Evidence of a formal commitment may include (a) a resolution by the employer's governing body approving a specific contribution, (b) a consistent pattern of making payments after the plan's year-end pursuant to an established funding policy that attributes such subsequent payments to the preceding plan year, (c) a deduction of a contribution for federal tax purposes for periods ending on or before the reporting date, or (d) the employer's recognition as of the report date of a contribution payable to the plan.

Line Item 6 Participants' contribution receivable.

Participants' contribution receivables are amounts due from plan participants that are permissible under the plan and contributed pursuant to a formal commitment as of the report date. These contributions normally would be made by participants in a KSOP plan. (See the Glossary entry "KSOP.")

Line Item 7 Dividends and interest receivable.

Report the amount of dividends and interest earned but not yet received as of the report date.

Line Item 8 Cash surrender value of life insurance.

Report the cash surrender value of any insurance policy on a bank or bank holding company officer or employee for which the ESOP holds as an investment to defray costs of employee benefits.

Line Item 9 Other assets.

List any other non-qualifying assets that have not been described in items 1 through 8.

Line Item 10 Total assets.

Report the sum of items 1, 2(a), 2(b), 3(a), 3(b), 4, 5, 6, 7, 8, and 9.

Liabilities

Line Item 11 Loans payable.

Report the amount of all loans payable by the ESOP bank holding company for purchase of the stock of the sponsoring employer. The debt of leveraged ESOPs also should be reported on the balance sheet of the sponsoring employer. All other loans payable should be reported in other liabilities. For more information see "Leveraged ESOPs" in the Glossary.

Line Item 12 Interest payable.

Report any interest expense that already has been accrued as of the report date but which has not been paid.

Line Item 13 Other liabilities.

Report the total amount of all other liabilities not reported under items 11 and 12 above. Include amounts allocated to the accounts of the persons who have elected to withdraw from the plan but have not been paid.

Line Item 14 Total liabilities.

Report the sum of items 11, 12, and 13.

Line Item 15 Net Assets Available for Benefits.

Report the difference between item 10 and item 14. The amount reported in this line item must equal line item 15 of Schedule SC. For non-leveraged ESOPs, net assets

Schedule SB

available to pay plan benefits should reconcile to the sum of the participant's individual account balances.

For leveraged ESOPs, the sum of the participant's individual account balances should equal the fair value of the plan's allocated assets. The reconciling items between (1) the sum of the participant's individual account bal-

ances and (2) net assets available for benefits include the fair value of the plan's unallocated (suspense account) assets and the plan's liabilities. (See the Glossary entries for "Leveraged ESOPs," "Net Assets Available for Benefits," and "Suspense Shares.")

LINE ITEM INSTRUCTIONS FOR THE

Memoranda

Schedule SB-M

Line Item M1 Sponsoring employer.

Report the name of the sponsoring employer as defined in the plan document.

Line Item M2 Shares held by ESOP:

Line Item M2(a) Total number of bank shares held by ESOP.

Report the total number of bank shares held by the ESOP, including both allocated and unallocated shares. If fractional shares are issued and they are greater than or equal to .5, round up to the nearest whole number.

Line Item M2(b) Percentage of bank shares held by ESOP.

Report the percentage of bank shares outstanding that are held by the ESOP, including both allocated and unallocated shares.

Line Item M2(c) Number of bank shares allocated to ESOP participants.

Report the total number of bank shares held by the ESOP that are allocated to plan participants. The number of allocated shares is included in item M2(a). If fractional shares are issued and they are greater than or equal to .5, round up to the nearest whole number.

Line Item M2(d) Total number of bank holding company shares held by ESOP.

Report the total number of bank holding company shares held by the ESOP, including both allocated and unallocated shares. If fractional shares are issued and they are greater than or equal to .5, round up to the nearest whole number.

Line Item M2(e) Percentage of bank holding company shares held by ESOP.

Report the percentage of bank holding company shares outstanding that are held by the ESOP, including both allocated and unallocated shares.

Line Item M2(f) Number of bank holding company shares allocated to ESOP participants.

Report the total number of bank holding company shares held by the ESOP that are allocated to plan participants. The number of allocated shares is included in item M2(d). If fractional shares are issued and they are greater than or equal to .5, round up to the nearest whole number.

Line Item M3 Amount of ESOP debt reported as contra-equity by the sponsoring employer or unearned ESOP shares on:

As part of sponsoring a leveraged ESOP, the employer will deduct an amount equal to the debt balance from the equity section of its balance sheet for unallocated shares. For more information see “ESOP Debt to Related Entities” in the Glossary.

Line Item M3(a) Bank report of condition.

Report the amount of the contra-equity account that is reported on the bank’s report of condition and income. A bank that has guaranteed the ESOP long-term debt would include the offsetting debit to the liability reported on the balance sheet as a contra-equity account on the balance sheet.

Line Item M3(b) Bank holding company balance sheet.

Report the amount of the contra-equity account that is reported on the bank holding company’s balance sheet.

Schedule SB-M

A bank holding company that has guaranteed the ESOP long-term debt would include the offsetting debit to the liability reported on the balance sheet as a contra-equity account on the balance sheet.

Line Item M4 Year ESOP was initially adopted.

Report the year the ESOP was initially adopted by the sponsoring employer as defined in the plan document. For plans that existed prior to becoming ESOPs, report the date that the plan became an ESOP. Report the year in the century/year (i.e., CCYY) format (for example, report 1976 and not “76”).

Line Item M4(a) Accounted for under AICPA Statement of Position 76-3 or Statement of Position 93-6. (Enter “1” for SOP 76-3; enter “2” for SOP 93-6).

If the ESOP employer has adopted SOP 76-3, enter “1” in this item. If the ESOP employer has adopted SOP 93-6, enter “2” in this item. (See the Glossary entry “Accounting for ESOPs by Sponsoring Employer”).

Line Item M4(b) Total number of plan participants as of December 31 of the report year.

Report the total number of participants in the plan, as defined in Form 5500, as of December 31 of the reporting year. Report the exact number of participants.

Line Item M5 Estimated employer liability for payment of plan benefits/distributions within two (2) years after December 31 of the report year.

Report an estimate of the employer’s liability to plan participants and/or beneficiaries eligible and reasonably expected to receive benefits or distributions within two years after December 31 of the report year. Such amounts include payments of participant retirement benefits, beneficiary payments, and termination payments. These

amounts do not include all vested balances of participants, but only those amounts reasonably expected to be subject to distribution within two years after December 31 of the report year.

Line Item M6 The net amount of plan participant balances eligible for diversification under the diversification requirement.

Report the amount of plan participant balances available under the diversification requirements for participants who have attained 10 years of service and are age 55 or older who are eligible to elect to diversify their individual accounts, or who have elected to diversify their accounts. Calculate the net amount of plan participant balances eligible for diversification by determining the gross amount of plan participant balances eligible for diversification and subtract the amount of participant balances previously diversified.

Line Item M7 Did the plan engage in any transaction with parties in interest during the current report year?

If the plan engaged in a transaction with a party in interest during the current reporting year, please enter a “1” in the box. If no transactions with a party in interest occurred during the current reporting year, please enter a “0” (zero) in the box. (See the Glossary entry “Party-in-Interest/Disqualified Person.”)

Line Item M8 Has there been a change in plan trustees or the plan administrative committee during the current report year?

If there has been a change in plan trustees, or membership in the plan administrative committee during the current reporting year, please enter a “1” in the box. If no change in plan trustees or the plan administrative committee occurred during the current reporting year, please enter a “0” (zero) in the box.

Glossary

The definitions in this Glossary apply to the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) and are not necessarily applicable for other regulatory or legal purposes. The presentation of the assets, liabilities, and net assets available for benefits, and the recognition of changes in the net assets available for benefits in the FR Y-9ES are to be in accordance with generally accepted accounting principles. The accounting discussions in this Glossary are those relevant to the preparation of these reports and are not intended to constitute a comprehensive presentation on bank accounting or on generally accepted accounting principles (GAAP).

Subsequent to legislation that created Employee Stock Ownership Plans (ESOPs), accounting standards for both the plan and the plan sponsor have evolved. The appropriate accounting can vary from institution to institution, depending on the date the ESOP was formed and other unique factors. The information given below is intended only as general guidance; for in-depth or specific information, it may be necessary to consult GAAP resources or obtain expert accounting or legal advice.

Accounting for ESOPs: ESOP accounting as presented in the FR Y-9ES should conform to generally accepted accounting principles (GAAP). The plan should use a special form of fair value accrual accounting consistent with employee benefit plans (see FAS 32) and not the equity method of accounting. The plan balance sheet should reflect ESOP debt as a liability on its balance sheet. GAAP for ESOPs are addressed primarily by the AICPA Audit and Accounting Guide: Audits of Employee Benefit Plans.

Accounting for ESOPs by Sponsoring Employer: Sponsoring employer accounting for a leveraged ESOP will vary depending upon the formation date. (See the Glossary entry for “Formation Date.”) Employer

accounting for ESOPs formed after 1993 is governed by the American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 93-6. According to SOP 93-6, all debt of the ESOP must be reflected as a liability on the financial statements of the sponsoring employer. The shares purchased with the proceeds of the debt are recorded by the sponsoring employer as a contra-equity account. This account is reduced and the shares are transferred to the ESOP in proportion to the debt repayment.

ESOPs formed prior to 1994 are accounted for pursuant to SOP 76-3. For loans that closed or were renegotiated after June 19, 1989, [date of Emerging Issues Task Force (EITF) Opinion 89-10] the debt must be reflected on the balance sheet of the sponsoring employer, and on the balance sheet of the ESOP. Institutions accounting for transactions under SOP 76-3 also reflect the debt balance as a contra-equity account. For additional information, see SOP 76-3, SOP 93-6, EITF 89-10, FAS 35, and any other accounting standards relevant to the reporting ESOP employer.

NOTE: When a leveraged ESOP borrows from an affiliate bank or bank holding company the note receivable and the note payable are both eliminated from the consolidated balance sheet. Likewise, income and expense accounts are also eliminated. On a parent-only basis, they continue to be reflected on each balance sheet.

Accumulated Plan Benefits: Benefits calculated to the benefit information date that are attributable to the employee under the provisions of the plan.

Adequate Consideration: In the case of a security for which there is a recognized market, the price prevailing on a national securities exchange. In the case of a closely

Glossary

held security, the fair market value of the asset as determined in good faith by the trustee or named fiduciary.

Allocated Shares: The shares in an ESOP trust that have been assigned to individual participant accounts based on a known formula. IRS rules require allocation to be nondiscriminatory (that is, generally based on compensation, length of service, or a combination of both). For any particular participant such shares may be vested, unvested or partially vested.

Appraisal: Closely held employer securities of an ESOP must be independently appraised at least annually as of the plan valuation date. For purposes of reporting on the FR Y-9ES, the reporter should use the most recent plan year-end appraisal.

Bank Holding Company: See “Control.”

Benefits: See “Pension Benefits” and “Accumulated Plan Benefits.”

Control: Under Section 3(a)(1) of the BHC Act and Section 225.11 of Regulation Y, an ESOP is required to register, and be regulated, as a bank holding company before acquiring control of 25 percent or more of any class of voting securities of a bank or bank holding company. Under the rebuttable control presumption of Section 225.31(d)(2)(ii) of Regulation Y, an ESOP also is presumed to control a bank or bank holding company if it acquires control of more than 5 percent (but less than 25 percent) of any class of that banking organization’s voting securities and, together with the interests held by its trustees and administrative committee members, controls 25 percent or more. In this situation, unless the control presumption can be successfully rebutted, an ESOP must register, and be regulated, as a “bank holding company.”

Under section 3(a)(1) of the BHC Act and Section 225.11 of Regulation Y, an ESOP is required to register, and be regulated, as a bank holding company before acquiring control of 25 percent or more of any class of voting securities of a bank or bank holding company. Like other bank holding companies, once an ESOP is approved to control 25 percent or more, it must continue to receive prior Federal Reserve approval for any increase in the number or percentage of shares it owns until it is approved to own over 50 percent, at which time it would

become exempt from further acquisition filing requirements under Section 225.12(c) of Regulation Y.

Contingent Liability: A contingent liability is recorded on the balance sheet based on the probability that an asset has been impaired or a loss has been incurred and the amount of the contingent liability is reasonably estimable.

Contra-equity: A contra-equity account is an account with a debit balance that is classified in the equity section of the balance sheet. The sponsoring employer records unearned ESOP shares in a contra-equity account. The account would be titled “unearned ESOP shares” under SOP 93-6 or “ESOP debt” under SOP 76-3. For further guidance, see also SOP 93-6, SOP 73-6, and the FR Y-9C Glossary entries for “unearned ESOP shares,” “ESOP debt,” and “contra-equity.”

Contributions: Employers and/or plan participants make contributions to ESOPs. In order for plan participants to make contributions, the ESOP must contain a 401(k) feature permitting employee deferrals or savings. Employer contributions to retirement plans are generally considered to be a part of compensation expense by the employer. For additional information on plan deferral contributions see the Glossary entry for “KSOP.”

Contributions receivable: Amounts due as of the date of the financial statements, including legal and contractual obligations; or amounts authorized by boards of directors.

Defined contribution plan: A plan that provides an individual account for each participant and provides benefits that are based on (a) amounts contributed to the participants account by the employer or employee, (b) investment experience, and (c) any forfeitures allocated to the account less any administrative expenses charged to the plan. Examples of a defined contribution plan include a profit sharing plan, a 401(k) plan, and an ESOP.

Disqualified Person: See “Party-in-Interest/Disqualified Person.”

Dividends on allocated shares used for debt service: Dividends on allocated and unallocated shares must be allocated to employee accounts. Companies normally

Glossary

allocate these amounts using shares, or portions of shares, released from the suspense account, when the dividends have been used for debt service. The value of shares released must equal or exceed the dividends on shares that were allocated to employee accounts and were used for debt service. Dividends on unallocated shares may be allocated to participants based on any fair formula.

Emerging Issues Task Force (EITF): The EITF is a division of the Financial Accounting Standards Board (FASB). The EITF opines on and clarifies issues regarding existing accounting standards. The following opinions issued by the EITF relate to ESOPs: EITF 89-10, EITF 89-11, EITF 92-3, EITF 90-4, EITF 89-8, EITF 86-4, EITF 89-12, and EITF 86-27.

Employer Securities: See “Qualifying Employer Securities.”

Employee Retirement Income Security Act of 1974 (ERISA): The ERISA is a federal law that sets minimum standards for most voluntarily established pension and health plans in private industry to provide protection for individuals in these plans.

Employee Retirement Income Security Act of 1974 (ERISA) Plan: A plan that is subject to ERISA.

Employee Stock Ownership Plan (ESOP). A tax-qualified employee benefit plan, which is designed to be invested primarily in qualifying employer securities and is uniquely permitted to borrow money from or on the guarantee of a party-in-interest for the purpose of acquiring securities issued by the plan sponsor (a leveraged ESOP). The term “employee stock ownership plan” is also generally applied to (a) non-leveraged stock bonus plans that satisfy various requirements set forth in section 4975(e)(7) of the Internal Revenue Code and (b) profit-sharing plans (and certain pre-ERISA money purchase pension plans) that invest primarily in securities issued by the plan sponsor.

ESOP Debt to Related Entities: When a leveraged ESOP borrows from an affiliate bank or bank holding company, the note receivable and the note payable are both eliminated from the consolidated balance sheet. Likewise, income and expense accounts are also elimi-

nated. On a parent-only basis, they continue to be reflected on each balance sheet.

Fiduciary: A person who has or exercises discretionary authority in the management of plan assets or in the administration of the plan. (Defined at ERISA section 3(21)). This generally includes plan administrators, plan officers and directors, plan trustees, investment managers, and persons with power to set plan policy and procedures.

Form 5500: A joint-agency form developed by the Internal Revenue Service, Department of Labor and the Pension Benefit Guaranty Corporation which may be used to satisfy the annual reporting requirements of the Internal Revenue Code and Titles I and IV of ERISA. Form 5500 and instructions can be obtained from the IRS public website (www.irs.gov).

Form 5558: Application for Extension of Time To File Certain Employee Plan Returns. A joint-agency (Internal Revenue Service, Department of Labor and The Pension Benefit Guaranty Corporation) form used to obtain a one-time extension of time to file Form 5500 up to 2½ months after the normal due date.

Formation Date: The formation date is that date that a plan is formally adopted by the sponsoring employer and legally takes effect, according to plan documents and the sponsoring employer, and as determined by applicable laws and regulations.

KSOP: A KSOP is an ESOP designed with 401(k) provisions, which permits plan participants to defer or save a portion of their salary into the tax-qualified plan. A KSOP must be formally designated as an ESOP in order to qualify to borrow funds for the purposes of purchasing qualifying employer securities. Contributions receivable in a KSOP are amounts due from plan participants that are permissible under the plan and contributed pursuant to a formal commitment as of the reporting date.

Leveraged ESOP: A leveraged ESOP directly or indirectly borrows funds to purchase qualifying employer securities for the plan. Under certain circumstances funds can be borrowed from the sponsoring employer. All qualifying employer securities acquired by an ESOP with proceeds from an exempt loan must be held in a

Glossary

contra-equity account and then released to the ESOP as the loan is paid. Under both SOP 76-3 and SOP 93-6 the employer, as well as the ESOP, records the ESOP's debt as a liability.

The qualifying employer securities that are held as collateral for the debt may fluctuate in market value; as a result, the market value of the securities held as collateral might not exactly equal the value of the debt. This difference does not need to be reported separately on the FR Y-9ES because allocated and unallocated shares are aggregated together and because the net assets available for plan benefits should not be affected by this fluctuation. (See the Glossary entry for "Net Assets Available for Benefits.")

Market (Fair) Value of Securities: The market value of securities should be determined, to the extent possible, by timely reference to the best available source of current market quotations or other data on relative current values. For example, securities traded on national, regional, or foreign exchanges or in organized over-the-counter markets should be valued at the most recently available quotation in the most active market.

The amount the plan could reasonably expect to receive for a plan investment in a current sale between a willing buyer and a willing seller. In the case of a closely held security, an annual appraisal independently arrived at by a person who customarily makes such appraisals and who is independent of any party to a transaction will be deemed to be a good faith determination of value. In the case of a transaction between a plan and a disqualified person, the value must be determined as of the date of the transaction [Treas. Reg. 54.4975-11(d)(5)]. (See also "Adequate Consideration.")

Mature ESOP: Mature ESOPs are those whose participants are approaching retirement age; these ESOPs are subject to diversification rules. To maintain its qualified status, an ESOP must allow participants who have attained the age of 55 and who have completed ten years of service to elect to diversify a percentage of their account. Also, a retiring or terminating participant has the option to require the employer to reacquire the shares allocated to the participant's account at the current fair market value if the employer securities are not readily tradable on an established market. According to SEC Accounting Release #268, the employer is required to

reflect the obligation to repurchase shares from terminating employees outside of the equity accounts. For additional information regarding repurchase requirements see Internal Revenue Code section 409(h)(1), and for diversification rules see Internal Revenue Code section 401(a)(28).

Net Assets Available for Benefits: Net assets available for benefits is the difference between a plan's assets and its liabilities. For purposes of this definition, a plan's liabilities do not include participant's accumulated plan benefits.

For leveraged ESOPs, the net assets available for benefits represents the amount currently accumulated to ultimately pay benefits, even though the suspense account shares are pledged as collateral for the debt and have not yet been allocated to participants. Also, additions and deductions reported in the Statement of Changes in Net Assets Available for Benefits should include both allocated and unallocated (suspense account) amounts; share transfers from unallocated to allocated should not be presented because they do not affect net assets available for plan benefits.

Additionally, the sum of the participant's individual account balances, for leveraged ESOPs, should equal the fair value of the plan's allocated assets. Therefore, the reconciling items between (1) the sum of the participant's individual account balances and (2) net assets available for benefits include the fair value of the plan's unallocated (suspense account) assets and the plan's liabilities.

Participant: A participant in an ESOP is any employee or former employee or any member or former member of a trade or other employee association, or the beneficiaries of these individuals, for whom there are accumulated plan benefits. See Form 5500 for more information.

Party-in-Interest/Disqualified Person: A party-in-interest or disqualified person is any person with an inherent conflict of interest as to an employee benefit plan. A party-in-interest or disqualified person under ERISA includes, but is not limited to, a fiduciary or employee of the plan, any person who provides services to the plan, an employer whose employees are covered by the plan, an employee association whose members are covered by the plan, a person who owns 50 percent or

Glossary

1 more of such an employer or employee association, or a relative or spouse of such persons just listed.

Pension Benefits: Periodic (usually monthly) payments made to a person, or beneficiary, who has retired from employment.

Prohibited Transaction: A transaction between the plan and a party-in-interest under ERISA (or a disqualified person under the Internal Revenue Code) that is prohibited under either section 406(a) of ERISA or section 4975 of the Internal Revenue Code, and for which there is no statutory, class or other exemption. Examples of a prohibited transaction include any direct or indirect:

- (1) sale or exchange, or lease, of any property between the plan and a party-in-interest;
- (2) lending of money, or other extension of credit between the plan and a party-in-interest;
- (3) furnishing of goods, services, or facilities between the plan and a party-in-interest;
- (4) transfer to, or use by or for the benefit of, a party-in-interest of any income or assets of the plan;
- (5) dealing with the assets of the plan for a fiduciary's own interest or own account;
- (6) acting in a fiduciary's individual or any other capacity in any transaction involving the plan on behalf of a party whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries;
- (7) receipt of any consideration for his or her own personal account by a party-in-interest who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

Qualifying Employer Securities: Common stock issued by the employer and non-callable preferred stock if it is convertible at any time into common stock [IRC 409(l), ERISA 407(d)(6)(A)]. Deposit accounts (i.e. certificates of deposit, checking or money market accounts) are not qualifying employer securities.

Released Shares: Shares that have been released from suspense and from serving as collateral for ESOP debt as

a result of payment of debt service. These shares are required to be allocated to participant accounts by the end of the ESOP's fiscal year. Formulas used to determine the number of shares to be released can be based either on (1) the ratio of the current principal amount to the total original principal amount (in which case the unearned compensation and debt balance move in tandem) or (2) the ratio of the current principal plus interest amount to the total original principal plus interest to be paid. Shares are released more rapidly under the second method. The tax law permits the first method only if the ESOP debt meets certain criteria.

Shares Committed to be Released: Shares not legally released but that will be released by a future scheduled and committed debt service payment and will be allocated to employees for service rendered in the current accounting period. The period of employee service to which shares relate is generally defined in the ESOP documents.

Statement of Position (SOP) 76-3 Accounting Practices for Certain Employee Stock Ownership Plans: See "Accounting For ESOPs by Sponsoring Employer," above.

Statement of Position (SOP) 93-6 Employers' Accounting for Employee Stock Ownership Plans: See "Accounting for ESOPs by Sponsoring Employer," above.

Stock Bonus Plan: A stock bonus plan is a defined contribution plan under which distributions are normally made in the stock of the employer unless the distributee elects otherwise.

Suspense Shares: Shares used to collateralize the ESOP's debt that have not been released or allocated to participant accounts, and that have been recorded as a contra-equity account. For the purposes of filing the FR Y-9ES, allocated and unallocated (suspense) shares are aggregated (i.e. not reported separately) on both the Statement of Changes in Net Assets Available for Benefits and on the Statement of Net Assets Available for Benefits.

Sponsoring Employer: The employer who has formally adopted the employee benefit plan as defined in the plan document.

Validity (V) Edits for the FR Y-9ES
(Effective as of December 31, 2004)

Each edit in the checklist must balance, rounding errors are not allowed

Edit Type	FRS EDCK	Target Item	Edit Test	Edit Test in the Form of Boolean Algebra
Schedule SC — Statement of Changes in Net Assets Available for Benefits				
V	0035	SC-7 (esop c323)	Sum of SC-1a through SC-6 must equal SC-7.	(esopc316 + esopc317 + esopc318 + esopc319 + esopc320 + esopc321 + esopc328) eq esopc323
V	0040	SC-12 (esop c327)	Sum of SC-8 through SC-11 must equal SC-12.	(esopc324 + esopc330 + esopc325 + esopc326) eq esopc327
V	0060	SC-13 (esop c328)	SC-7 minus SC-12 must equal SC-13.	(esopc323 - esopc327) eq esopc328
V	0070	SC-14 (esop c329)	Sum of SC-13 and SC-14 must equal SC-15.	(esopc328 + esopc329) eq esopc342
Schedule SB — Statement of Net Assets Available for Benefits				
V	0200	SB-10 (esop 2170)	Sum of SB-1 through SB-9 must equal SB-10.	(esopc322 + esopc331 + esopc332 + esopc333 + esopc334 + esopc335 + esopc336 + esopc337 + esopc363 + esopc009 + esopc338) eq esop2170
V	0250	SB-14 (esop 2948)	Sum of SB-11 through SB-13 must equal SB-14.	(esopc339 + esopc340 + esopc341) eq esop2948
V	0270	SB-15 (esop c342)	SC-15 must equal SB-15.	esopc342 eq esopc342
V	0300	SB-15 (esop c342)	SB-10 minus SB-14 must equal SB-15.	esop2170 - esop2948 eq esopc342
Schedule SB-M — Memoranda				
V	0390	SB-M4 (esop c349)	SB-M4 must be in the ccy format and greater than or equal to 1974.	esopc349 ge 1974
V	0400	SB-M4a (esop c350)	SB-M4a must equal "1" (SOP 76-3) or "2" (SOP 93-6).	esopc350 eq 1 or esopc350 eq 2
V	0410	SB-M4b (esop c351)	SB-M4b must be greater than zero.	esopc351 gt 0
V	0420	SB-M7 (esop c354)	SB-M7 must equal "1" (yes) or "0" (no).	esopc354 eq 1 or esopc354 eq 0
V	0430	SB-M8 (esop c355)	SB-M8 must equal "1" (yes) or "0" (no).	esopc355 eq 1 or esopc355 eq 0

Quality (Q) and Intraseries (I) Edits for the FR Y-9ES
(Effective as of December 31, 2004)

Edit Type	FRS EDCK	Target Item	Edit Test	Edit Test in the Form of Boolean Algebra
All Schedules on the FR Y-9ES				
Q	0012	Financial Data	Financial data should not be negative except for SC-1a, SC-1b, SC-7, SC-13, and "Notes to the Financial Statements for Employee Stock Ownership Plan Bank Holding Companies" 1 through 5.	(esopc318 ge 0 or esopc318 eq null) and (esopc319 ge 0 or esopc319 eq null) and (esopc320 ge 0 or esopc320 eq null) and (esopc321 ge 0 or esopc321 eq null) and (esopc322 ge 0 or esopc322 eq null) and (esopc323 ge 0 or esopc323 eq null) and (esopc324 ge 0 or esopc324 eq null) and (esopc325 ge 0 or esopc325 eq null) and (esopc326 ge 0 or esopc326 eq null) and (esopc327 ge 0 or esopc327 eq null) and (esopc328 ge 0 or esopc328 eq null) and (esopc329 ge 0 or esopc329 eq null) and (esopc330 ge 0 or esopc330 eq null) and (esopc331 ge 0 or esopc331 eq null) and (esopc332 ge 0 or esopc332 eq null) and (esopc333 ge 0 or esopc333 eq null) and (esopc334 ge 0 or esopc334 eq null) and (esopc335 ge 0 or esopc335 eq null) and (esopc336 ge 0 or esopc336 eq null) and (esopc337 ge 0 or esopc337 eq null) and (esopc338 ge 0 or esopc338 eq null) and (esopc339 ge 0 or esopc339 eq null) and (esopc340 ge 0 or esopc340 eq null) and (esopc341 ge 0 or esopc341 eq null) and (esopc342 ge 0 or esopc342 eq null) and (esopc343 ge 0 or esopc343 eq null) and (esopc344 ge 0 or esopc344 eq null) and (esopc345 ge 0 or esopc345 eq null) and (esopc346 ge 0 or esopc346 eq null) and (esopc347 ge 0 or esopc347 eq null) and (esopc348 ge 0 or esopc348 eq null) and (esopc349 ge 0 or esopc349 eq null) and (esopc350 ge 0 or esopc350 eq null) and (esopc351 ge 0 or esopc351 eq null) and (esopc352 ge 0 or esopc352 eq null) and (esopc353 ge 0 or esopc353 eq null) and (esopc354 ge 0 or esopc354 eq null) and (esopc355 ge 0 or esopc355 eq null) and (esop2948 ge 0 or esop2948 eq null) and (esop7285 ge 0 or esop7285 eq null) and (esop7286 ge 0 or esop7286 eq null)
Schedule SB — Statement of Net Assets Available for Benefits				
Q	0600	SB-9 (esop c338)	If SC-2 is greater than zero, then the sum of SB-1, SB-2b, SB-3b, SB-4, and SB-9 should be greater than zero.	if esopc318 gt 0 then (esopc322 + esopc332 + esopc334 + esopc335 + esopc338) gt 0
Q	0610	SB-11 (esop c339)	If SB-11 is greater than zero, then SC-8 should be greater than zero.	if esopc339 gt 0 then esopc324 gt 0
Schedule SB-M — Memoranda				
Q	0625	SB-10 (esop 2170)	If SB-10 is not null, then SB-M1 should not be null.	if esop2170 ne null then text9152 ne null
Q	0690	SB-M2a (esop c343)	If SB-M2a is greater than zero, then SB-M2d should equal zero.	if esopc343 gt 0 then esopc345 eq 0
Q	0700	SB-M2c (esop c344)	SB-M2c should be less than or equal to SB-M2a.	esopc344 le esopc343

Quality (Q) and Intraseries (I) Edits for the FR Y-9ES
(Effective as of December 31, 2004)

Edit Type	FRS EDCK	Target Item	Edit Test	Edit Test in the Form of Boolean Algebra
Q	0710	SB-M2d (esop c345)	Sum of SB-M2a and SB-M2d should be greater than zero.	(esopc343 + esopc345) gt 0
Q	0713	SB-M2d (esop c345)	If SB-M2d is greater than zero, then SB-M2a should equal zero.	if esopc345 gt 0 then esopc343 eq 0
Q	0720	SB-M2f (esop c346)	SB-M2f should be less than or equal to SB-M2d.	esopc346 le esopc345
I	0730	SB-M3a (esop c347)	SB-M3a (current) should not be greater than 125% of SB-M3a (previous).	esopc347-p0 le (1.25 * esopc347-p1)
I	0740	SB-M3b (esop c348)	SB-M3b (current) should not be greater than 125% of SB-M3b (previous).	esopc348-p0 le (1.25 * esopc348-p1)
Q	0750	SB-M4a (esop c350)	If SB-M4a equals 1 (SOP 76-3), then SB-M4 should be greater than or equal to 1975 and less than 1994.	if esopc350 eq 1 then esopc349 ge 1975 and esopc349 lt 1994
I	0760	SB-M4a (esop c350)	SB-M4a (current) should equal SB-M4a (previous).	esopc350-p0 eq esopc350-p1
Q	0770	SB-M4b (esop c351)	Sum of SB-M2c and SB-M2f should be greater than SB-M4b.	(esopc344 + esopc346) gt esopc351

Notes to the Financial Statements

Employee Stock Ownership Plan Bank Holding Companies with information to report that has no corresponding financial data should use the general remark/comment box and not the and not the Notes to the Employee Stock Ownership Plan Bank Holding Company items on the report form.

Q	0800	FN1 (esop c356)	If financial data is not equal to null or zero, then text data should not be null.	if esopc356 ne null and esopc356 ne 0 then textc356 ne null
Q	0801	FN1 (esop c356)	If text data is not equal to null, then financial data should not equal null or zero.	if textc356 ne null then esopc356 ne null and esopc356 ne 0
Q	0802	FN2 (esop c357)	If financial data is not equal to null or zero, then text data should not be null.	if esopc357 ne null and esopc357 ne 0 then textc357 ne null
Q	0803	FN2 (esop c357)	If text data is not equal to null, then financial data should not equal null or zero.	if textc357 ne null then esopc357 ne null and esopc357 ne 0
Q	0804	FN3 (esop c358)	If financial data is not equal to null or zero, then text data should not be null.	if esopc358 ne null and esopc358 ne 0 then textc358 ne null
Q	0805	FN3 (esop c358)	If text data is not equal to null, then financial data should not equal null or zero.	if textc358 ne null then esopc358 ne null and esopc358 ne 0
Q	0806	FN4 (esop c359)	If financial data is not equal to null or zero, then text data should not be null.	if esopc359 ne null and esopc359 ne 0 then textc359 ne null
Q	0807	FN4 (esop c359)	If text data is not equal to null, then financial data should not equal null or zero.	if textc359 ne null then esopc359 ne null and esopc359 ne 0
Q	0808	FN5 (esop c360)	If financial data is not equal to null or zero, then text data should not be null.	if esopc360 ne null and esopc360 ne 0 then textc360 ne null

Quality (Q) and Intraserries (I) Edits for the FR Y-9ES
(Effective as of December 31, 2004)

Edit Type	FRS EDCK	Target Item	Edit Test	Edit Test in the Form of Boolean Algebra
Q	0809	FN5 (esop c360)	If text data is not equal to null, then financial data should not equal null or zero.	if textc360 ne null then esopc360 ne null and esopc360 ne 0