

Parent Company Only Financial Statements for Small Bank Holding Companies

FR Y-9SP

For purposes of this report, savings and loan holding companies are subject to the same reporting requirements as bank holding companies, unless otherwise noted in these instructions. All references to "bank holding compan(ies) are inclusive of "savings and loan holding compan(ies)" unless otherwise noted.¹

GENERAL INSTRUCTIONS

Who Must Report

A. Reporting Criteria

All bank holding companies, regardless of size, are required to submit financial statements to the Federal Reserve.

Footnote 1: Savings and loan holding companies do not include any trust (other than a pension, profit-sharing, stockholders' voting, or business trust) which controls a savings association if such trust by its terms must terminate within 25 years or not later than 21 years and 10 months after the death of individuals living on the effective date of the trust, and (a) was in existence and in control of a savings association on June 26, 1967, or, (b) is a testamentary trust. See Section 238.2 of the interim final rule of Regulation LL, dated September 13, 2011, for more information.

(1) **Bank Holding Companies With Total Consolidated Assets of Less Than \$500 Million.** Bank holding companies with total consolidated assets of less than \$500 million must file the *Parent Company Only Financial Statements for Small Bank Holding Companies* (FR Y-9SP) on a semiannual basis as of the last calendar day of June and December.¹

2.

1. The Reserve Bank with whom the reporting bank holding company files its reports may require that a bank holding company with total consolidated assets of less than \$500 million submit the FR Y-9C and the FR Y-9LP reports to meet supervisory needs. Reserve Banks will consider such criteria including, but not limited to, whether the holding company (1) is engaged in significant nonbanking activities either directly or through a nonbank subsidiary; (2) conducts significant off-balance-sheet activities, including securitizations or managing or administering assets for third parties, either directly or through a nonbank subsidiary; or (3) has a material amount of debt or equity securities (other than trust preferred securities) outstanding that are registered with the Securities and Exchange Commission.

In addition, any bank holding company that is not subject to the Federal Reserve's Capital Adequacy Guidelines, but nonetheless elects to comply with the guidelines, are required to file a complete FR Y-9C and FR Y-9LP report, and generally would not be permitted to revert back to filing the FR Y-9SP report in any subsequent periods.

For tiered bank holding companies. Except as noted below, when bank holding companies with total consolidated assets of less than \$500 million own or control, or are owned or controlled by, other bank holding companies (i.e., are tiered bank holding companies), the top-tier holding company must file the FR Y-9SP for the top-tier parent company of the

holding company with total consolidated assets of less than \$500 million would report on the FR Y-9LP rather than the FR Y-9SP.

The FR Y-9SP consists of a balance sheet, income statement, and memoranda items.

(2) **Bank Holding Companies that are Employee Stock Ownership Plans.** Bank holding companies that are employee stock ownership plans (ESOPs) as of the last calendar day of the calendar year must file the *Financial Statements for Employee Stock Ownership Plan Bank Holding Companies* (FR Y-9ES) on an annual basis, as of December 31. 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 the appropriate FR Y-9 series in accordance with bank holding company reporting requirements.

(3) **Bank Holding Companies with Total Consolidated Assets of \$500 Million or More.** Bank holding companies with total consolidated assets of

LINE ITEM INSTRUCTIONS FOR

Income Statement Schedule SI

New paragraph: *For purposes of this report, a savings and loan holding company should report income from its savings association(s) (as defined in section 238.2 of Regulation LL), nonbank subsidiary(s), and subsidiary savings and loan holding company(s) following the same guidelines and accounting rules set forth in these instructions for a bank holding company.*

The Income Statement reflects income and expenses for the calendar year-to-date, the period from January 1 to June 30 for the June 30 reporting period and the period from January 1 to December 31 for the December 31 reporting period.

Operating Income

Line Item 1. Income from bank subsidiary(s).

Line Item 1(a) Dividends.

Report the amount of the bank holding company's proportionate share of the dividends declared by the bank subsidiary(s) during the reporting period (calendar year-to-date). (See the worksheet provided to assist in the calculation of this amount.) Bank holding companies that own equity capital in associated banks, as previously defined, should also report their proportionate interest in the dividends declared by these banks.

Line Item 1(b) Other income from bank subsidiary(s).

Report the income from the bank subsidiary(s) other than dividends declared. This includes but is not limited to interest income, noninterest income, management fees, and rental income.

Report interest income paid or payable to the reporting bank holding company related to cash and balances due from and extensions of credit to bank subsidiaries and associated banks.

Exclude interest income from unrelated depository institutions. Such income is to be included in item 4 below.

Do not include any income tax benefit received from the bank subsidiary(s) in this item. This should be included in the amount reported in item 10 below. "Applicable income taxes (benefit)" **2011**

Line Item 2 Income from nonbank subsidiary(s).

Line Item 2(a) Dividends.

Report the amount of the bank holding company's proportionate share of the dividends declared by the nonbank subsidiary(s) during the reporting period. Bank holding companies that own equity capital in associated nonbank companies, as previously defined, should also report their proportionate interest in the dividends declared by these nonbank companies.

If the reporting bank holding company is a tiered bank holding company, the dividends from the subsidiary bank holding company(s) should be reported in this item 3(a), "Dividends from subsidiary bank holding company(s)."

Line Item 2(b) Other income.

Report the income from nonbank subsidiary(s) other than dividends declared. This includes but is not limited to interest income, noninterest income, management fees, and rental income.

Report interest income paid or payable to the reporting bank holding company related to cash and balances due from and extensions of credit to nonbank subsidiaries and associated nonbank companies.

If the reporting bank holding company is a tiered bank holding company, other income from subsidiary bank holding company(s) should be reported in item 3(b), "Other income from subsidiary bank holding company(s)."

Line Item 3 Income from subsidiary bank holding company(s).

This item is to be reported only by those holding companies that have subsidiary bank holding companies.

LINE ITEM INSTRUCTIONS FOR

Balance Sheet

Schedule SC

For purpose of this report, a savings and loan holding company should report its equity investment and nonequity investments in its savings association (as defined in section 238.2 of Regulation LL), nonbank subsidiary, and subsidiary savings and loan holding company following the same guidelines and accounting rules set forth in these instructions for a bank holding company.

Assets

Line Item 1 Cash and due from depository institutions.

Report in the appropriate item below cash and deposit balances, both noninterest-bearing and interest-bearing, due from depository institutions. Balances due from depository institutions that are subsidiaries or affiliated institutions should be reported on item 1(a). Balances due from all other (i.e., unrelated, or third party) depository institutions should be reported on item 1(b).

Affiliated depository institutions include those institutions that have a direct or indirect relationship with the reporting parent bank holding company.

Overdrafts should not be reported in this item. Overdrafts with subsidiaries or affiliated companies should be reported under item 14, "Balances due to subsidiaries and related institutions." Overdrafts with unrelated or third party depository institutions should be reported under item 10(b), "Other short-term borrowings."

Depository institutions include U.S. commercial banks, savings and loan institutions, mutual savings banks, foreign banks, and any other similar depository institutions.

Line Item 1(a) Balances with subsidiary or affiliated depository institutions.

Report all currency and coin, demand, time and savings balances, and other cash items due from, or held with, subsidiary or affiliated depository institutions.

Line Item 1(b) Balances with unrelated depository institutions.

Report all currency and coin, demand, time and savings balances, and other cash items due from, or held with, unrelated depository institutions.

Line Item 2 Securities.

Report in this item the total value of all debt securities and all equity securities with readily determinable fair values, other than investments in the bank subsidiary(s), nonbank subsidiary(s), associated banks, and associated nonbank company(s), held by the respondent parent bank holding company. Securities designated as "available-for-sale" must be reported at fair value and securities designated as "held-to-maturity" must be reported at amortized cost in accordance with ASC Topic 320, Investments—Debt and Equity Securities (formerly FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*). The net unrealized holding gains (losses) on available-for-sale securities must be reported in item 16(d), "Accumulated other comprehensive income." The amount reported in item 2 must equal the sum of memoranda items 7(a) and 7(b).

Exclude equity securities held by the parent bank holding company that do not have readily determinable fair values, which are to be reported in item 7 below.

Debt securities include, but are not limited to: U.S. Treasury securities, U.S. Government agency and corporation obligations, commercial paper, securities issued by states and political subdivisions in the U.S. and notes, bonds or debentures issued by private corporations.

Debt securities must include amortization of premium and accretion of discount on securities purchased at other than par or face value (including U.S. Treasury bills).

Equity securities include common stock, perpetual preferred stock, and warrants.

Equity securities owned by a holding company are defined as available-for-sale securities in accordance with ASC Topic 320 and must be reported at fair value as of the report date. The fair value of securities should be determined, to the extent possible, by timely reference to the best available source of current market quotations or

Schedule SC-M

New paragraph: A savings and loan holding company should not include its consolidated savings association (as defined in Regulation LL) in items 17a through 17(f).

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Line Item M15 Short-term borrowings included in balance sheet item 14(b).

Items M15(a) and M15(b) are to be completed only by tiered bank holding companies.

Line Item M15(a) From parent bank holding company(s).

Report the amount of borrowings by the reporting bank holding company from its direct and indirect parent bank holding company(s) that mature in one year or less.

Line Item M15(b) From subsidiary bank holding company(s).

Report the amount of borrowings by the reporting parent bank holding company from the subsidiary bank holding company(s) that mature in one year or less.

Line Item M16 Long-term borrowings included in balance sheet item 14(b).

Items M16(a) and M16(b) are to be completed only by tiered bank holding companies.

Line Item M16(a) From parent bank holding company(s).

Report the amount of borrowings by the reporting bank holding company from its direct and indirect parent bank holding company(s) that have a maturity or a "scheduled debt retirement" of greater than one year, exclusive of amounts due within the year.

Line Item M16(b) From subsidiary bank holding company(s).

Report the amount of borrowings by the reporting parent bank holding company from the subsidiary bank holding company(s) that have a maturity or a "scheduled debt retirement" of greater than one year, exclusive of amounts due within the year.

Line Item M17 To be completed only by the top-tier bank holding company for its consolidated nonbank and thrift subsidiaries.

This item is to be completed only by the top-tier parent bank holding company (and single-tier bank holding

companies) that files the FR Y-9SP. Lower-tier bank holding companies that file this report should leave memorandum items 17(a) through 17(f) blank.

If the top-tier parent bank holding company is an ESOP, then the lower-tier parent bank holding company should report in memorandum items 17(a) through 17(f).

The term "subsidiary," is defined by Section 225.2 of Federal Reserve Regulation Y, which generally includes companies 25 percent or more owned or controlled by another company. **However, for purposes of this reporting item, the term "subsidiary" includes only companies in which the bank holding company directly or indirectly owns or controls more than 50 percent of the outstanding voting stock, and these companies would be consolidated using generally accepted accounting principles for financial reporting purposes.**

Nonbank subsidiaries, for purposes of this reporting item, include but are not limited to: securities brokerage and underwriting firms (including Section 20 subsidiaries); federal savings associations, federal savings banks and thrift institutions (including any thrift institution filing the Thrift Financial Report); depository institutions (other than U.S. banks); industrial banks that do not file the commercial bank Reports of Condition and Income with the federal banking agencies; Edge and Agreement corporations and their subsidiaries that are *not* held through a bank subsidiary; industrial loan companies; venture capital corporations; leasing companies; bank premises subsidiaries; mortgage banking companies; consumer finance companies; sales finance companies; acceptance corporations; factoring companies; insurance brokerage and insurance underwriting companies; small business investment companies; data processing and information services companies; nondepository trust companies; management consulting companies; courier service companies; companies that print or sell MICR encoded items; financial and investment advisory companies; credit bureaus; collection agencies; real estate settlement companies.

For purposes of this reporting item, foreign nonbank subsidiaries include those subsidiaries that meet the definition of a nonbank subsidiary provided above that would be consolidated using generally accepted accounting principles for financial reporting purposes, but are not domiciled in the U.S. In addition, Edge **2012** corporations and their subsidiaries that are *not* held