

INSTRUCTIONS FOR PREPARATION OF

Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations FR 2314 and FR 2314S

GENERAL INSTRUCTIONS

Who Must Report

The Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314/FR 2314S) must be filed by foreign subsidiaries of U.S. banking organizations (USBOs). Regulation K defines foreign or foreign country as one or more foreign nations, and includes the overseas territories, dependencies, and insular possessions of those nations and of the United States, and the Commonwealth of Puerto Rico.

The FR 2314/FR 2314S must be submitted for each legal entity subject to reporting requirements. Therefore, consolidation of individual entities is not permitted.

Unless otherwise instructed, the FR 2314/FR 2314S is to be submitted for any organization, also referred to as a “subsidiary,” described below *except* a corporation which itself is organized under Section 25 or 25A of the Federal Reserve Act.¹ For purposes of this report, “subsidiaries” include, but are not limited to:

- (1) Any organization which is a “subsidiary” as defined by Section 211.2(w) of Regulation K of the Board of Governors of the Federal Reserve System (see “Definitions”);
- (2) Any other subsidiary in which shares have been acquired under Regulation K where the Board’s consent to such acquisitions is conditioned on the furnishing of reports, and all subsidiaries of such organizations;
- (3) Any organization in which shares have been acquired, directly or indirectly, by a bank holding company under Section 4(c)(13) of the Bank Holding Company Act of 1956 (BHC Act), as amended, if such acquisition represents greater than 50 percent of this

organization’s equity capital or if the Board’s consent to the acquisition is conditioned on the furnishing of reports;

- (4) Any subsidiary in which shares have been acquired, directly or indirectly, by a financial holding company under Section 4(k)(4) of the BHC Act, as amended by the Gramm–Leach–Bliley Act for bank holding companies or Section 10(c)(2)(H) of the HOLA for savings and loan holding companies, domiciled outside of the United States,² (except subsidiaries that are functionally regulated as discussed in the exemptions section below). Refer to the FR Y-9C Glossary entry for “Addressee (Domicile)” for the definition of domicile.
 - (5) Any other foreign organization directly or indirectly managed or controlled by, or operated on behalf of, a bank that is a member of the Federal Reserve System, a holding company, or any organization required to report under 1 through 4 above, *through management contracts, trust agreements, or similar instruments*.
- For purposes of this report, holding company is collectively used for bank holding company, savings and loan holding company, securities holding company, and U.S. intermediate holding companies.
- (6) Any domestic subsidiary of USBOs (principally held by an Edge or agreement corporation), that qualifies under Regulation K or Section 4 (c) (13) of the BHC Act, as amended (i.e., subsidiaries authorized to conduct overseas activities even if domiciled in the U.S.).

1. Such Edge or agreement corporations report on the FR 2886b.

2. Any such organization domiciled in the United States should file either the Financial Statements of U.S. Nonbank Subsidiaries of Holding Companies (FR Y-11) or the Abbreviated Financial Statements of U.S. Nonbank Subsidiaries of Holding Companies (FR Y-11S) pursuant to the reporting threshold requirements for those reports.

General Instructions

Quarterly Filers—Detailed Report (FR 2314)

A USBO must file the FR 2314 quarterly for its subsidiary if the subsidiary is owned or controlled by a parent U.S. holding company that has total consolidated assets of \$500 million or more as of June 30 of the preceding year or files the FR Y-9C to meet supervisory needs, or the subsidiary is owned or controlled by a state member bank or an Edge or agreement corporation that has total consolidated assets equal to or greater than \$500 million, **and** the subsidiary meets **any one** of the following criteria:

- (1) Total assets of the foreign subsidiary are equal to or greater than \$1 billion;
- (2) The foreign subsidiary's off-balance-sheet activities³ are equal to or greater than \$5 billion;
- (3) The foreign subsidiary's equity capital is equal to or greater than 5 percent of the top-tier organization's consolidated equity capital; or
- (4) The foreign subsidiary's operating revenue is equal to or greater than 5 percent of the top-tier organization's consolidated operating revenue.

Operating revenue is defined as the sum of total interest income and total noninterest income, before deduction of expenses ~~and extraordinary items~~.

For foreign subsidiaries held by a USBO that is, in turn, owned by a foreign banking organization (FBO), the operating revenue and equity capital of the USBO are used as the top-tier organization's values.

If a foreign subsidiary meets the criteria above to file quarterly as of June 30 of the preceding year, the parent organization must file the FR 2314 quarterly for the subsidiary beginning in March of the current year. In addition, if the subsidiary meets the quarterly criteria due to being newly formed or a business combination, then the parent organization must report the FR 2314 quarterly beginning with the first quarterly report date following the effective date of the inception of the subsidiary or business combination, respectively.

3. Off-balance-sheet activities (defined as the sum of Schedule BS, items 20 through 30) include commitments to purchase foreign currencies and U.S. dollar exchange, all other future and forward contracts, option contracts, and the notional value of interest rate swaps, exchange swaps, and other swaps.

Once a nonbank subsidiary begins filing the FR 2314 quarterly, it should file a complete FR 2314 quarterly going forward. If the parent USBO is a holding company that has total consolidated assets of \$500 million or more as of June 30 of the preceding year or files the FR Y-9C to meet supervisory needs or a state member bank or an Edge or agreement corporation that has total consolidated assets equal to or greater than \$500 million, **and** the subsidiary does not meet any one of the other quarterly nonbank subsidiary filing criteria for four consecutive quarters, then the parent organization may revert to annual filing beginning with the first upcoming December report date.

Foreign subsidiaries that do not meet the quarterly filing thresholds may be requested to file quarterly if the Federal Reserve Bank has determined that these subsidiaries have significant risk exposures.

Annual Filers—Detailed Report (FR 2314)

A foreign subsidiary that does not meet any of the criteria to file quarterly, but has total assets greater than or equal to \$500 million and less than \$1 billion as of the report date must file the entire FR 2314 report on an annual basis.

Annual Filers—Abbreviated Report (FR 2314S)

A foreign subsidiary that does not meet the criteria to file the detailed report, but has total assets greater than or equal to \$250 million and less than \$500 million as of the report date must file the Abbreviated Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314S) on an annual basis.

Other Reporting Criteria

- Each USBO must submit a separate FR 2314/FR 2314S for each of its foreign subsidiaries satisfying the above criteria whether directly or indirectly owned. The reporting USBO must submit a report on a parent only (non-consolidated) basis for each parent subsidiary meeting the criteria and submit individual reports for each lower level subsidiary required to file the report.
- Consolidation of individual entities, including variable interest entities (VIEs), is not permitted. Each USBO

General Instructions

should separately assess whether a VIE meets the definition of subsidiary and determine if any such entity meets the criteria for filing this report.

- The FR 2314/FR 2314S report for a subsidiary owned by more than one parent organization should be submitted in its entirety by the organization with the majority ownership. If a subsidiary is equally owned by two or more parent organizations, the FR 2314/FR 2314S report should be submitted in its entirety by the largest organization based on total consolidated assets.

Exemptions from Reporting Foreign Subsidiary Financial Statements

The following subsidiaries are exempt from submitting the financial statements for foreign subsidiaries of USBOs:

- Any subsidiary with less than \$250 million in total assets unless the quarterly reporting criteria is met;
- Any foreign subsidiary in which the primary U.S. regulator is an organization other than the Federal Reserve System, such as the Securities and Exchange Commission, Commodities Futures Trading Commission, State Insurance Commissioners and State Securities departments;
- Any subsidiary that is required to file a Report of Condition for Edge or Agreement Corporations (FR 2886b);
- Any subsidiary, joint venture, or portfolio investment that is required to file the Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11/FR Y-11S);
- Any subsidiary that is required to file the Financial Statements for a Bank Holding Company Subsidiary Engaged in Bank-Ineligible Securities Underwriting and Dealing (FR Y-20);
- Any subsidiary of a “qualified FBO” as defined by Section 211.23(a) of Regulation K (12 CFR 211.23(a)) except for subsidiaries of a U.S. holding company, U.S. bank, or Edge corporation, which is the direct subsidiary of a qualified FBO;
- Any subsidiary that is considered a merchant banking investment, the shares of which are held pursuant to section 4(k)4(H) of the BHC Act;

- Any U.S. federally insured foreign company which is a subsidiary of a holding company (i.e., banks in Puerto Rico or in U.S. territories or possessions);
- Any subsidiary of a U.S. federally insured foreign company that is a subsidiary of a holding company, unless such subsidiary is held pursuant to Regulation K;
- Any subsidiary of a Small Business Investment Company (SBIC controlled investment);
- Any nondepository trust company that is a member of the Federal Reserve System and required to file the Consolidated Reports of Condition and Income;
- Any company the shares of which are held: (1) as a result of debts previously contracted (acquired under section 4(c)(2) of the BHC Act); (2) in a fiduciary capacity under section 4c(4) of the BHC Act; or (3) solely as collateral securing an extension of credit;
- Any subsidiary that is **inactive** as of the end of the reporting period;
- Any subsidiary such as a namesaver or a newly organized subsidiary that has never conducted any business activity. However, a subsidiary that is newly incorporated is required to report upon the commencement of a business activity if it meets the reporting criteria;
- Any subsidiary that was divested or liquidated during the year. Reports must only be filed for subsidiaries that are part of the parent organization’s structure as of the close of the business day on the report date for which the report is being filed; and
- Any subsidiary that is a special purpose vehicle (SPV) formed as a vehicle for specific leasing transactions (for example, when an SPV is engaged in a single leasing transaction).
- Any subsidiary that issues trust preferred securities.

Foreign subsidiaries that are not required to file under the above criteria may be required to file this report by the Federal Reserve Bank of the district in which they are regulated.

A graphic representation of the general criteria for the FR 2314/FR 2314S appears at the end of these General Instructions (page GEN-9).

Frequency of Reporting

A USBO must submit the FR 2314 report for each foreign subsidiary that meets the criteria to file quarterly

General Instructions

as of the last calendar day of March, June, September and December. A USBO must submit the FR 2314 report for each foreign subsidiary that meets the criteria to file annually as of December 31. A USBO must submit the FR 2314S for each foreign subsidiary that meets the criteria to file the abbreviated report annually as of December 31.

Preparation of the Reports

Parent USBOs are requested to prepare and file the Financial Statements for Foreign Subsidiaries of U.S. Banking Organizations (FR 2314/FR 2314S) in accordance with Generally Accepted Accounting Principles (GAAP), and these instructions. However, respondents may submit reports based on the foreign country's accounting standards if submitting reports on this basis would materially reduce reporting burden. All reports shall be prepared in a consistent manner.

USBOs should refer to the instructions for the preparation of the Consolidated Financial Statements for Holding Companies (FR Y-9C) or the Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP) for additional information on the items requested on this report. Copies of the FR 2314, FR 2314S, FR Y-9C, and FR Y-9SP may be found on the Federal Reserve Board's public website (www.federalreserve.gov/boarddocs/reportforms).

The foreign subsidiaries' financial records shall be maintained in such a manner and scope so as to ensure that the reports can be prepared and filed in accordance with these instructions and reflect a fair presentation of the subsidiaries' financial condition and results of operations. Questions and requests for interpretations of matters appearing in any part of these instructions should be addressed to the Federal Reserve Bank in the district where the reports are submitted.

Report all financial items in thousands of U.S. dollars. Assets or liabilities payable in other currencies should be converted into dollars at the exchange rates prevailing on the report date, except where required otherwise by Generally Accepted Accounting Principles (GAAP).

The preferred method for reporting purchases and sales of assets is as of the trade date. However, settlement date accounting is acceptable if the reported amounts are not materially different.

Applicability of Generally Accepted Accounting Principles to Foreign Subsidiaries of U.S. Banking Organization Reporting Requirements

It should be noted that the presentation by subsidiaries of assets, liabilities, and stockholders' equity and the recognition of income and expenses is requested to be reported in accordance with Generally Accepted Accounting Principles (GAAP). Subsidiaries are required to report certain other accounts or types of transactions on schedules to the balance sheet and income statement. In addition, these instructions designate where a particular asset or liability should be reported.

All ownership interests in the subsidiary have an interest in the aggregate amounts of a subsidiary's reported earnings, retained earnings, and net assets (whether held by its parent organization or by other owners) and should be reported as equity capital in the financial statements.

There may be areas in which a reporting subsidiary wishes more technical detail on the application of accounting standards and procedures to the requirements of these instructions. Such information may often be found in the appropriate entries in the Glossary section of the FR Y-9C instructions or, in more detail, in the FASB Accounting Standards Codification. For purposes of these instructions, the FASB Accounting Standards Codification is referred to as "ASC." Selected sections of the ASC are referenced in the instructions where appropriate.

Page 1

The USBO must submit a page 1 for each financial statement. If the USBO elects to file multiple financial statements under one signature, the USBO must submit one signed page 1 per type of report, the FR 2314 quarterly, the FR 2314 annual or the FR 2314S. Page 1 of the report must include the legal name of the USBO filing the FR 2314/FR 2314S and the mailing address. The name, telephone number, and e-mail address of a contact at the USBO to whom questions about the report(s) may be directed must be indicated.

Signatures

The FR 2314/FR 2314S must be signed as indicated on page 1 by a duly authorized officer of the USBO. When the top-tier USBO is domiciled outside the United States, the USBO may authorize an officer of the nonbank

General Instructions

subsidiary to sign the report. By signing page 1 of this report, the authorized officer acknowledges that any knowing and willful misrepresentation or omission of a material fact on any reports included under this signature constitutes fraud in the inducement and may subject the officer to legal sanctions provided by 18 USC 1001 and 1007.

Number of Reports Attested to Under This Signature

For all reports submitted under the officer's signature, the USBO must indicate on page 1 the total number of reports for which the officer attested.

December Only Reporting

For the December FR 2314 report, the USBO must indicate on page 1 whether the submission is for quarterly or annual filers.

Detailed Listing of Subsidiaries

The USBO must **complete** a separate page(s) containing the detailed listing of subsidiaries for each page 1. For submission of multiple financial statements under the officer's signature, the USBO must complete a separate page(s) containing the detailed listing of subsidiaries for each type of report. The USBO must provide on the page(s) containing the detailed listing of subsidiaries the legal name, address and subsidiary ID for all reports attested to under the officer's signature as indicated on page 1. When specifying the name(s) of the nonbank subsidiaries, use the legal name of the subsidiaries as they appear on the papers of incorporation or formation documents. The legal name must be the same name that is specified on the Report of Changes in Organizational Structure (FR Y-10). The page(s) containing the detailed listing of subsidiaries should be retained at the USBO for their records and **should not** be submitted to the Reserve Bank.

Submission of Reports

The reports are to be submitted for each report date on the report forms provided by the Federal Reserve Bank. No caption on the report form should 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 an "N/A."

All items will not be applicable to each foreign subsidiary required to file the report. An "N/A" should be entered if the foreign subsidiary cannot be involved in a transaction because of the nature of the organization. A zero should be entered whenever a foreign subsidiary can participate in an activity, but may not on the report date, have any outstanding balances.

Where to Submit the Reports

For paper filers of report form: The original reports and the number of copies specified by the Reserve Bank should be submitted to the Federal Reserve Bank of the District in which the reporter's *parent U.S. bank or holding company is domiciled*. In cases where these institutions are not in the same District, unless the respondent has specific instructions to the contrary, the following rules shall apply:

1. Subsidiaries owned through a U.S. bank should send reports to the Reserve Bank of that parent.
2. Subsidiaries owned directly by a U.S. holding company (that is, not through a subsidiary U.S. bank) should send reports to the Reserve Bank of the USBO.

Generally, the Federal Reserve District in which a parent Edge or agreement corporation resides is not considered in determining where to submit the report.

All reports shall be made out clearly and legibly by typewriter or in ink. Reports completed in pencil will not be accepted. Computer printouts are acceptable, provided they are identical in format and detail to the reporting form, including all item and column captions.

USBOs must maintain in their files a copy of the manually signed page 1 of the Reserve Bank-supplied forms received for the report date, attached to the page(s) containing the detailed listing of subsidiaries, and a print out of the data submitted.

Electronic submission of report form. Any banking organization interested in submitting the FR 2314/FR 2314S electronically should contact the Federal Reserve Bank in the district where the parent U.S. Bank or holding company is domiciled.

USBOs choosing to submit these reports electronically must maintain in their files the original manually signed page 1 of the Reserve Bank-supplied forms received for the report date, attached to the page(s) containing the

General Instructions

detailed listing of subsidiaries, and a printout of the data submitted.

Submission Date

A USBO must file this report for its foreign subsidiaries no later than 60 calendar days after the report date. The filing of a completed report will be considered timely, regardless of when the reports are received by the appropriate Federal Reserve Bank, if these reports are mailed first class and postmarked no later than the third calendar day preceding the submission deadline. In the absence of a postmark, a company whose completed FR 2314/FR 2314S is received late may be called upon to provide proof of timely mailing.

A “Certificate of Mailing” (U.S. Postal Service form 3817) may be used to provide such proof. If an overnight delivery service is used, entry of the completed original reports into the delivery system on the day before the submission deadline will constitute timely submission. In addition, the hand delivery of the completed original reports on or before the submission deadline to the location to which the reports would otherwise be mailed is an acceptable alternative to mailing such reports. Companies that are unable to obtain the required officers’ signatures on their completed original reports in sufficient time to file these reports so that they are received by the submission deadline may contact the Federal Reserve Bank to which they mail their original reports to arrange for the timely submission of their report data and the subsequent filing of their signed reports.

If the submission deadline falls on a weekend or holiday, the report must be received by 5:00 P.M. on the first business day after the Saturday, Sunday, or holiday. Any report received after 5:00 P.M. on the first business day after the Saturday, Sunday, or holiday deadline will be considered late unless it has been postmarked three calendar days prior to the original Saturday, Sunday, or holiday submission deadline (original deadline), or the institution has a record of sending the report by overnight service one day prior to the original deadline.

NOTE: A reporting U.S. banking organization must submit all of its required nonbank subsidiary reports on or before the submission deadline to be considered timely.

Monitoring of Regulatory Reports

Federal Reserve Banks will monitor the filing of all regulatory reports to ensure that they are filed in a timely

manner and are accurate and not misleading. Many reporting errors can be screened through the use of computer validity edit checks which are detailed in the Checklist accompanying the reporting instructions. Reporting deadlines are detailed in the Submission Date section of these general instructions. Additional information on the monitoring procedures are available from the Federal Reserve Banks.

Confidentiality

These reports are available to the public upon request on an individual basis. However, a USBO may request confidential treatment for one or more of the subsidiaries for which it submits the financial statements for foreign subsidiaries of USBOs if it is of the opinion that disclosure of certain commercial or financial information in the report would likely result in substantial harm to its (or its subsidiaries’) competitive position or that disclosure of the submitted personal 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, demonstrating 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 SHOULD BE REPORTED SEPARATELY BOUND WITH A SEPARATE FR 2314/FR 2314S PAGE 1 LABELED “CONFIDENTIAL.” THIS INFORMATION SHOULD BE SPECIFICALLY IDENTIFIED AS BEING CONFIDENTIAL.

The Federal Reserve will determine whether information submitted with a request for confidential treatment will be so treated, and will advise the U.S. banking organization through the appropriate Reserve Bank of any decision to make available to the public any of the information.

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

General Instructions

Amended Reports

The Federal Reserve may require the filing of amended Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations if reports as previously submitted contain significant errors. In addition, a USBO should file an amended report when internal and external auditors make audit adjustments that result in a restatement of financial statements affecting reports previously submitted to the Federal Reserve.

When the Federal Reserve's interpretation of how these instructions should be applied to a specified event or transaction (or series of related events or transactions) differs from the reporting institution's interpretation, the Federal Reserve may require the reporter to reflect the event(s) or transaction(s) in its FR 2314/FR 2314S reports in accordance with the Federal Reserve's interpretation and to amend previously submitted reports.

In the event that certain of the required data are not available, respondents should contact the appropriate Reserve Bank for information on submitting revised reports.

For amended reports, the USBO must submit a newly signed page 1 and separate financial statements for each subsidiary that is amending its data. The page(s) containing the detailed listing of subsidiaries must be completed, attached to page 1 and a printout of the data submitted and placed in the USBO's files. The page(s) containing the detailed listing of subsidiaries **should not** be submitted to the Reserve Bank.

Definitions

Respondents should refer to the Glossary of the Instructions for the Consolidated Financial Statements for Holding Companies (FR Y-9C) for information concerning general definitions.

For purposes of this report, related organizations include (1) any organization that directly or indirectly controls the reporting nonbank subsidiary, (2) any organization that is controlled directly or indirectly by the reporting nonbank subsidiary, or (3) any organization that is controlled directly or indirectly by any USBO that controls the reporting subsidiary (i.e., if more than one USBO directly or indirectly controls the reporting nonbank subsidiary, then all organizations directly or indirectly controlled by *each* USBO is considered related regard-

less of whom submits this report). In addition, for purposes of this report related companies include all associated companies.

Nonrelated organizations include all organizations that do not meet the definition of "related organizations." Nonrelated organizations include all organizations outside of the USBO structure and refer to third party entities.

In addition, for purposes of this report "subsidiary"⁴ means any organization that has more than 50 percent of its voting shares held directly or indirectly, or that otherwise is controlled or capable of being controlled, by the investor or an affiliate of the investor under any authority. Among other circumstances, an investor is considered to control an organization if:

- (1) The investor or an affiliate is a general partner of the organization; or
- (2) The investor and its affiliates directly or indirectly own or control more than 50 percent of the equity of the organization.

All references in the line item instructions to the "reporting banking organization" refer to the subsidiary's parent banking organization.

For purposes of this report, all references to "bank(s)" are inclusive of "savings association(s)" unless otherwise noted.

Miscellaneous General Instructions

Rounding

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

Negative Entries

Negative entries are generally not appropriate on the FR 2314/FR 2314S reports and should not be reported unless the line item instructions allow it. Hence, assets with credit balances should be reported in liability items and liabilities with debit balances should be reported in asset items, as appropriate, and in accordance with these instructions.

4. As defined by Section 211.2(w) of Regulation K of the Board of Governors of the Federal Reserve System.

General Instructions

For items where negative entries are allowed, paper filers should enclose negative amounts in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

FR 2314/FR 2314S report is not sufficient to appraise the financial soundness of the subsidiary or to determine its compliance with applicable laws and regulations.

Additional Information

The Federal Reserve System reserves the right to require additional information from foreign subsidiaries if the

General Instructions

General Criteria Chart for FR 2314/FR 2314S

See General Instructions for more detail.

Quarterly Filers Detailed Report (FR 2314)	Annual Filers Detailed Report (FR 2314)	Annual Filers Abbreviated Report (FR 2314S)	Exemptions No report required
Parent holding company has total consolidated assets of \$500 million or more as of June 30 of the preceding year or files the FR Y-9C to meet supervisory needs or parent state member bank or Edge or agreement corporation has total assets equal to or greater than \$500 million, <i>and</i> any one of the following: (1) Subsidiary's total assets are greater than or equal to \$1 billion (2) Subsidiary's off-balance-sheet activities are greater than or equal to \$5 billion (3) Subsidiary's equity capital is greater than or equal to 5% of top-tier consolidated equity capital or (4) Subsidiary's operating revenue is greater than or equal to 5% of top-tier consolidated operating revenue	Subsidiary does not meet any of the quarterly filing criteria <i>and</i> its total assets are greater than or equal to \$500 million but less than \$1 billion	Subsidiary does not meet any of the FR 2314 filing criteria <i>and</i> its total assets are greater than or equal to \$250 million but less than \$500 million	Subsidiary does not meet any of the FR2314S filing criteria <i>and</i> (1) Subsidiary's total assets are less than \$250 million or (2) Specific exemption (see exemption list in General Instructions)

LINE ITEM INSTRUCTIONS FOR THE

Income Statement Schedule IS

General Instructions

Report all income and expense of the subsidiary for the calendar year-to-date. Include adjustments of accruals and other accounting estimates made shortly after the end of a reporting period that relate to the income and expense of the reporting period. A subsidiary that began operating during the reporting period should report all income earned and expense incurred since it commenced operations and all pre-opening income earned and expenses incurred from inception until that date.

Line Item 1 Interest income.

Report in the appropriate subitem all interest, fees and similar income received by the subsidiary from non-related organizations (associated with assets reported in Lines 1 through 7 on Schedule BS) in item 1(a) and on balances due from related organizations in item 1(b). Include income resulting from interest earned on loans and leases (including related fees); income on balances due from depository institutions; interest and dividends on securities; interest from assets held in trading accounts; interest on federal funds sold and securities purchased under agreements to resell; and any other interest income received by the subsidiary. When yield related fees are collected in connection with a loan syndication or participation and passed through to another lender, report only the subsidiary's proportional share of such fees.

Deduct interest ~~related~~ to customers on loans paid before maturity from gross interest earned on loans; do not report as an expense. Exclude from this item:

- (1) fees that are not yield related such as fees for servicing real estate mortgage or other loans which are not assets of the subsidiary (report in item 5(a)(6));
- (2) net gains or losses from the sale of assets (report in item 5 or 7, as appropriate);

- (3) charges to merchants for handling credit card or charge sales when the subsidiary does not carry the related loan accounts on their books (report in item 5 below); and
- (4) reimbursements for out-of-pocket expenditures made by the subsidiary for the account of its customers. If the subsidiary's expense accounts were charged with the amount of such expenditures, the reimbursements should be credited to the same expense accounts.

Line Item 1(a) Interest and fee income from nonrelated organizations.

Report all interest, fees, and similar income from nonrelated organizations.

Line Item 1(b) Interest and fee income from related organizations.

Report all interest, fees, and similar income from related organizations. Exclude any noninterest income and income from undistributed earnings of related organizations (report in item 5(b)). Include dividends declared or paid by subsidiaries.

Line Item 1(c) Total interest income.

Report the sum of items 1(a) and 1(b).

Line Item 2 Interest expense.

Report in the appropriate subitem the total amount of interest expense of the subsidiary pertaining to nonrelated organizations in item 2(a) and pertaining to related organizations in item 2(b). Include expenses on deposits, on federal funds purchased and securities sold under agreements to repurchase, on short- and long-term borrowings, on subordinated notes and debentures, on mandatory securities, on mortgage indebtedness and obligations under capitalized leases, and all other interest expense.

Schedule IS

Line Item 2(a) Interest expense pertaining to nonrelated organizations.

Report all interest expense pertaining to nonrelated organizations.

Line Item 2(b) Interest expense pertaining to related organizations.

Report all interest expense pertaining to related organizations.

Line Item 2(c) Total interest expense.

Report the sum of items 2(a) and 2(b).

Line Item 3 Net interest income.

Report the difference between item 1(c), "Total interest income," and item 2(c), "Total interest expense." If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 4 Provision for loan and lease losses.

Report the amount needed to make the allowance for loan and lease losses, as reported in Schedule BS, item 3(b), adequate to absorb expected loan and lease losses, based upon management's evaluation of the subsidiary's current loan and lease exposures. The amount reported must equal Schedule IS-B, item 4, "Provision for loan and lease losses."

Exclude provision for credit losses on off-balance-sheet credit exposures and provision for allocated transfer risk, both of which should be reported in item 7, "Noninterest expense." The amount reported here may differ from the bad debt expense deduction taken for federal income tax purposes.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5 Noninterest income.

Report in the appropriate subitem all other income not properly reported in item 1(c), "Total interest income" that is derived from activities in which the subsidiary is engaged. Report noninterest income from nonrelated organizations in item 5(a) and from related organizations

in item 5(b). Also, a subsidiary may include as other noninterest income in item 5(a)(7) or 5(b) below net gains (losses) from the sale of loans and certain other assets as long as the subsidiary reports such transactions on a consistent basis.

Line Item 5(a) From nonrelated organizations.

Report all income earned from nonrelated organizations in the appropriate item.

Line Item 5(a)(1) Income from fiduciary activities.

Report gross income from services rendered by the trust department of the subsidiary or the subsidiary acting in any fiduciary capacity. Include commissions and fees on the sale of annuities by these entities that are executed in a fiduciary capacity. Report "N/A" if the subsidiary has no trust departments or renders no services in any fiduciary capacity.

Line Item 5(a)(2) Service charges on deposit accounts.

Report the amounts charged depositors:

- (1) Who maintain accounts with the subsidiary or who fail to maintain specified minimum deposit balances;
- (2) Based on the number of checks drawn on and deposits made in deposit accounts;
- (3) For checks drawn on "no minimum-balance" deposit accounts;
- (4) For withdrawals from nontransaction deposit accounts;
- (5) For accounts which have remained inactive for extended periods of time or which have become dormant;
- (6) For deposits to or withdrawals from deposit accounts through the use of automated teller machines or remote service units;
- (7) For the processing of checks drawn against insufficient funds. Exclude subsequent charges levied against overdrawn accounts based on the length of time the account has been overdrawn and report the interest as interest and fee income in line 1 above;
- (8) For issuing stop payment orders;
- (9) For certifying checks; and

Schedule IS

- (10) For accumulation or disbursement of funds deposited to IRA or Keogh Plan accounts when not handled by the trust department of the subsidiary. If the account is handled by the subsidiary's trust department, include the charges in line 5(a)(1) above.

Line Item 5(a)(3) Trading revenue.

Report the net gain or loss from trading cash instruments and derivative contracts (including commodity contracts) that has been recognized during the calendar year-to-date. If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Include as trading revenue:

- (1) Revaluation adjustments to the carrying value of assets and liabilities reportable in Schedule BS, item 4, "Trading assets," and Schedule BS, item 11, "Trading liabilities," resulting from the periodic marking to market of such instruments;
- (2) Revaluation of adjustments from the periodic marking to market of interest rate, foreign exchange, equity derivative, commodity and other contracts held for trading; and
- (3) Realized gains and losses and other income and expenses resulting from the sale and purchase of all assets and liabilities held in the trading account.

Exclude trading revenue from transactions with related organizations. Report such revenue in item 5(b).

Line Item 5(a)(4) Investment banking, advisory, brokerage, and underwriting fees and commissions.

Report fees and commissions from investment advisory and management services, merger and acquisition services, and other related consulting fees. Include fees and commissions from securities brokerage activities, from the sale and servicing of mutual funds, and from the purchase and sale of securities and money market instruments where the subsidiary is acting as agent for other subsidiaries or customers (if these fees and commissions are not included in item 5(a)(1), "Income from fiduciary activities," or item 5(a)(3), "Trading revenue").

Also include the subsidiary's proportionate share of the income or loss before ~~extraordinary items~~ and other

adjustments from its investments in corporate joint ventures, unincorporated joint ventures, general partnerships, and limited partnerships over which the subsidiary exercises significant influence that are principally engaged in investment banking, advisory, brokerage, or securities underwriting activities.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(5) Venture capital revenue.

Report as venture capital revenue market value adjustments, interest, dividends, gains, and losses (including impairment losses) on venture capital investments (loans and securities). Include any fee income from venture capital activities that is not reported in one of the preceding income items. Also include the subsidiary's proportionate share of the income or loss before ~~extraordinary items~~ and other adjustments from its investments in corporate joint ventures, unincorporated joint ventures, general partnerships, and limited partnerships over which the subsidiary exercises significant influence that are principally engaged in venture capital activities.

In general, venture capital activities involve the providing of funds, whether in the form of loans or equity, and technical and management assistance, when needed and requested, to start-up or high-risk companies specializing in new technologies, ideas, products, or processes. The primary objective of these investments is capital growth.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(6) Net servicing fees.

Report income from servicing real estate mortgages, credit cards, and other financial assets held by others. Report any premiums received in lieu of regular servicing fees on such loans only as earned over the life of the loans. Subsidiaries should report servicing income net of the related servicing assets' amortization expense. Include impairments recognized on servicing assets. For further information on servicing, see the FR Y-9C Glossary entry for "servicing assets and liabilities."

discontinued operations

Schedule IS

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(7) Net securitization income.

Report net gains (losses) on assets sold in securitization transactions, i.e., net of transaction costs. Include fees (other than servicing fees) earned from the subsidiary's securitization transactions and unrealized losses (and recoveries of unrealized losses) on loans and leases held for sale in securitization transactions. Exclude income from servicing securitized assets (report in item 5(a)(6), above) and from seller's interests and residual interests retained by the subsidiary (report in the appropriate subitem of item 1, "Interest income").

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(8) Insurance commissions and fees.

Report income from insurance activities (includes premiums and supplemental contracts); service charges, commissions and fees from the sale of insurance; commissions on reinsurance; and other insurance related income. Also include the subsidiary's proportionate share of the income or loss before ~~extraordinary items~~ and other adjustments from its investments in corporate joint ventures, unincorporated joint ventures, general partnerships, and limited partnerships over which the subsidiary exercises significant influence that are principally engaged in insurance underwriting, reinsurance, or insurance sales activities. Exclude commissions and fees on the sale of annuities and report in item 5(a)(9).

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(9) Fees and commissions from annuity sales.

Report fees and commissions from sales of annuities (fixed, variable, and other) by the nonbank subsidiary and fees earned from customer referrals for annuities to insurance companies and insurance agencies external to the nonbank subsidiary. Also include management fees

earned from annuities. However, exclude fees and commissions from sales of annuities by the trust department of the subsidiary or the subsidiary acting in any fiduciary capacity reported in item 5(a)(1), "Income from fiduciary activities."

discontinued operations

Also include the subsidiary's proportionate share of the income or loss before ~~extraordinary items~~ and other adjustments from its investments in corporate joint ventures, unincorporated joint ventures, general partnerships, and limited partnerships over which the subsidiary exercises significant influence that are principally engaged in annuity product underwriting or sales activities.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(a)(10) Other noninterest income.

Report all other noninterest income derived from nonrelated organizations that is not reported above. If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(b) From related organizations.

Report all noninterest income derived from related organizations. Include in this item trading revenue from transactions with related organizations. Exclude the parent's equity in undistributed income of subsidiaries from this item and report in item 11.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5(c) Total noninterest income.

Report the sum of items 5(a)(1) through 5(a)(10) and 5(b). If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 6 Realized gains (losses) on securities not held in trading accounts.

Report the net gain or loss realized during the calendar year-to-date from the sale, exchange, redemption, or

Schedule IS

retirement of all securities not held in trading accounts. The realized gain or loss on the security is the difference between the sales price (excluding interest at the coupon rate accrued since the last interest payment date, if any) and the amortized cost. Also include in this item the write-downs of the cost basis of individual securities for other-than-temporary impairments. If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign. Do not adjust for applicable income taxes (income taxes applicable to gains (losses) on securities are to be included in the applicable income taxes reported in item 9 below).

Exclude:

- (1) the change in net unrealized holding gains (losses) on available-for-sale securities during the calendar year (report in Schedule IS-A, item 5),
- (2) realized gains (losses) on trading securities (report in Schedule IS, item 5(a)(3)), "Trading revenue," and
- (3) net gains (losses) from the sale of detached securities coupons and the sale of ex-coupon securities, and report in item 7, "Noninterest expense," or item 5(a)(10), "Other noninterest income," as appropriate.

Line Item 7 Noninterest expense.

Report in the appropriate subitem all other expense not properly reported in item 2(c), "Total interest expense" that is incurred from activities in which the subsidiary is engaged. Report noninterest expense pertaining to nonrelated organizations in item 7(a) and pertaining to the organization in item 7(b). Also, a subsidiary may include as other noninterest expense in item 7(a) or 7(b) below net losses (gains) from the sale of loans and certain other assets as long as the subsidiary reports such transactions on a consistent basis.

Line Item 7(a) Pertaining to nonrelated organizations.

Report the amount of noninterest expense of the subsidiary pertaining to activities with nonrelated organizations (i.e., third-party transactions). If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Report salaries and benefits of all officers and employees of the subsidiary including guards and contracted guards, temporary office help, dining room and cafeteria employees, and building department officers and employees (including maintenance personnel). Include gross salaries, wages, and other compensation; contributions to retirement plan, pension fund and profit-sharing plan; employee stock ownership plan, employee stock purchase plan, and employee savings plan; social security and other taxes paid by the subsidiary; health and life insurance premiums; relocation and tuition programs; and the cost of all other fringe benefits for officers and employees.

Report all noninterest expenses related to the use of premises, equipment, furniture, and fixtures, net of rental income, that are reportable in Schedule BS, item 5, "Premises and fixed assets." If this net amount is a credit balance, enclose it in parentheses.

Deduct rental income from gross premises and fixed asset expense. Rental income includes all rentals charged for the use of buildings not incident to their use by the reporting subsidiary, including rentals by regular tenants of the subsidiary, income received from short-term rentals of other facilities of the subsidiary, and income from sub-leases. Also deduct income from assets that indirectly represent premises, equipment, furniture, or fixtures reportable in Schedule BS, item 5, "Premises and fixed assets." Include normal and recurring depreciation and amortization charges against assets; all operating lease payments made by the subsidiary on premises and equipment; cost of ordinary repairs to premises (including leasehold improvements), equipment, furniture, and fixtures; cost of service or maintenance contracts for equipment, furniture, and fixtures; insurance expense related to the use of premises, equipment, furniture, and fixtures; all property tax and other tax expense related to premises (including leasehold improvements), equipment, furniture, and fixtures; cost of heat, electricity, water, and other utilities connected with the use of premises and fixed assets; cost of janitorial supplies and outside janitorial services; and services and fuel, maintenance, and other expenses related to the use of the subsidiary-owned automobiles, airplanes, and other vehicles for the subsidiary's business.

Include fees paid to directors and advisory directors for attendance at board of directors or committee meetings; premiums on fidelity insurance, directors' and officers' liability insurance, and life insurance policies for which

Schedule IS

Report the results of discontinued operations, if any, net of applicable income taxes, as determined in accordance with the provisions of ASC Subtopic 205-20, Presentation of Financial Statements – Discontinued Operations (formerly FASB Statement No. 144, "Accounting for the Impairment of Long-Lived Assets"). If the amount reported in this item is a net loss, report it with a minus (-) sign.

Also include the tax benefit of an operating loss carryforward or carryback for which the source of the income or loss in the current year is reported in IS item 8 "Income(loss) before applicable income taxes and discontinued operations."

the subsidiary is the beneficiary; federal deposit insurance premium; Comptroller of the Currency assessment expense; legal fees and other direct costs incurred in connection with foreclosures; and advertising, promotional, public relations, and business development expenses; data processing cost; goodwill impairment losses; amortization expenses of and impairment losses for other intangible assets; and all other noninterest expenses pertaining to nonrelated organizations.

Also report any provision for credit losses related to off-balance-sheet credit exposures, based upon management's evaluation of the subsidiary's current off-balance-sheet credit exposures.

Line item 7(b) Pertaining to related organizations.

Report all expenses involving related organizations that cannot properly be reported in Schedule IS, item 2(b), "Interest expense pertaining to related organizations." If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 7(c) Total noninterest expense.

Report the sum of items 7(a) and 7(b). If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 8 Income (loss) before extraordinary items and other adjustments.

Report the sum of items 3, 5(c) and 6, minus items 4 and 7(c). If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 9 Applicable income taxes (benefits) (estimated).

Report the total estimated federal, state and local, and foreign income tax expense applicable to item 8, "Income (loss) before extraordinary items and other adjustments," including the tax effects of gains (losses) on securities not held in trading accounts (i.e., available-for-sale securities and held-to-maturity securities). Include both the current and deferred portions of these income taxes. If this amount is negative (i.e., the amount is a tax benefit rather

than a tax expense), paper filers should enclose the amount in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Include as applicable income taxes all taxes based on a net amount of taxable revenue less deductible expenses. Exclude the estimated income taxes applicable to foreign currency translation adjustments included in Schedule IS-A, item 5. Exclude from applicable income taxes all taxes based on gross revenues or gross receipts.

Line Item 10 ~~Extraordinary items, net of applicable income taxes.~~ Discontinued operations

~~Report the total of extraordinary items and other adjustments, net of income taxes. Include the material effects of any extraordinary items and the cumulative effect of all changes in accounting principles except those required to be reported as a change in equity capital in accordance with GAAP.~~

Include:

- ~~(1) Realized tax benefits of operating loss carryforwards (other than realized loss carryforward benefits of purchased subsidiaries which should be treated as an adjustment of purchase price);~~
- ~~(2) The results of discontinued operations as determined in accordance with the provisions of ASC Topic 360, Property, Plant, and Equipment (formerly FASB Statement No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets);~~
- ~~(3) Material aggregate gains on troubled debt restructuring of the subsidiary's own debt as determined in accordance with the provisions of ASC Subtopic 470-60 Debt – Troubled Debt Restructurings by Debtors (formerly FASB Statement No. 15, Accounting by Debtors and Creditors for Troubled Debt Restructurings); and~~
- ~~(4) The material effects on any other events or transactions that are both unusual in nature and infrequent in their occurrence. To be unusual in nature, the underlying event or transaction should be abnormal and significantly different from the ordinary and typical activities of the subsidiary. An event or transaction not reasonably expected to recur in the foreseeable future is considered to occur infrequently. Exclude net gains or losses on the sale or other disposal of the subsidiary's premises and fixed assets, other real~~

Schedule IS

~~estate owned, coins, art and other similar assets, as well as any branch offices; report these gains or losses in Schedule IS, Items 5(a)(10) or 7, respectively.~~

~~If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.~~

Line Item 11 Equity in undistributed income (loss) of subsidiary(s).

Report the amount of the parent subsidiary's proportionate interest in the subsidiary's(s') net income (loss) less any dividends declared by the subsidiary(s) for the calendar year-to-date. Report dividends in item 1(b).

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 12 Net income (loss).

Report the sum of items 8, 10, and 11 minus item 9. If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign. This item must equal Schedule IS-A, Changes in Equity Capital, item 2, "Net income."

Memoranda

Memorandum item 1 is to be completed by nonbank subsidiaries that are required to complete Schedule BS-A, Memoranda items 1(b) and 1(c).

Line Item 1 Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties.

Report the amount of noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (i.e., interest income accrued and uncollected that has been added to principal) included in interest and fee income on loans from nonrelated organizations (Schedule IS, item 1(a)).

Negative amortization refers to a method in which a loan is structured so that the borrower's minimum monthly (or other periodic) payment is contractually permitted to be less than the full amount of interest owed to the lender,

with the unpaid interest added to the loan's principal balance. The contractual terms of the loan provide that if the borrower allows the principal balance to rise to a pre-specified amount or maximum cap, the loan payments are then recast to a fully amortizing schedule. Negative amortization features may be applied to either adjustable rate mortgages or fixed rate mortgages, the latter commonly referred to as graduated payment mortgages (GPMs).

Memorandum item 2 is to be completed by subsidiaries that have elected to account for financial instruments or servicing assets and liabilities at fair value under a fair value option.

Memorandum item 2 is to be completed by subsidiaries that have adopted ASC Topic 820, Fair Value Measurements and Disclosures (formerly FASB Statement No. 157, *Fair Value Measurements*), and have elected to report certain assets and liabilities at fair value with changes in fair value recognized in earnings in accordance with U.S. generally accepted accounting principles (GAAP) (i.e., ASC Subtopic 825-10, Financial Instruments – Overall (formerly FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*); ASC Subtopic 815-15, Derivatives and Hedging – Embedded Derivatives (formerly FASB Statement No. 155, *Accounting for Certain Hybrid Financial Instruments*); and ASC Subtopic 860-50, Transfers and Servicing – Servicing Assets and Liabilities (formerly FASB Statement No. 156, *Accounting for Servicing of Financial Assets*)). This election is generally referred to as the fair value option.

If the subsidiary has elected to apply the fair value option to interest-bearing financial assets and liabilities, it should report the interest income on these financial assets (except any that are in nonaccrual status) and the interest expense on these financial liabilities for the year-to-date in the appropriate interest income and interest expense items on Schedule IS, not as part of the reported change in fair value of these assets and liabilities for the year-to-date. The subsidiary should measure the interest income or interest expense on a financial asset or liability to which the fair value option has been applied using either the contractual interest rate on the asset or liability or the effective yield method based on the amount at which the asset or liability was first recognized on the balance sheet. Although the use of the contractual interest rate is an acceptable method under GAAP, when a financial

Schedule IS

asset or liability has a significant premium or discount upon initial recognition, the measurement of interest income or interest expense under the effective yield method more accurately portrays the economic substance of the transaction. In addition, in some cases, GAAP requires a particular method of interest income recognition when the fair value option is elected. For example, when the fair value option has been applied to a beneficial interest in securitized financial assets within the scope of ASC Subtopic 325-40, Investments-Other – Beneficial Interests in Securitized Financial Assets (formerly Emerging Issues Task Force Issue No. 99-20, *Recognition of Interest Income and Impairment on Purchased and Retained Beneficial Interests in Securitized Financial Assets*), interest income should be measured in accordance with the consensus in this Subtopic. Similarly, when the fair value option has been applied to a purchased impaired loan or debt security accounted for under ASC Subtopic 310-30, Receivables – Loans and Debt Securities Acquired with Deteriorated Credit Quality (formerly AICPA Statement of Position 03-3, *Accounting for Certain Loans or Debt Securities Acquired in a Transfer*), interest income on the loan or debt security should be measured in accordance with this Statement of Position when accrual of income is appropriate.

Revaluation adjustments, excluding amounts reported as interest income and interest expense, to the carrying

value of all assets and liabilities reported in Schedule BS at fair value under a fair value option (excluding servicing assets and liabilities reported in Schedule BS, item 7, “All other assets,” and Schedule BS, item 14, “Other liabilities,” respectively, and trading assets and trading liabilities reported in Schedule BS, item 4, “Trading assets,” and Schedule BS, item 11, “Trading liabilities,” respectively) resulting from the periodic marking of such assets and liabilities to fair value should be reported as “Other noninterest income” in Schedule IS, item 5(a)(10).

Line Item 2 Net change in fair values of financial instruments accounted for under a fair value option.

Report the net change in fair values of all financial instruments that the subsidiary has elected to account for under the fair value option that is included in Schedule IS, items 5.a(3), “Trading revenue,” 5.a(6), “Net servicing fees,” 5.a.(10), “Other interest income,” and 5.b., “From related organizations.”

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

LINE ITEM INSTRUCTIONS FOR

Changes in Equity Capital Schedule IS-A

General Instructions

Total equity capital includes perpetual preferred stock, common stock, capital surplus, retained earnings, accumulated other comprehensive income and other equity capital components such as treasury stock and unearned Employee Stock Ownership Plan Shares. All amounts, other than the amount reported in item 1, should represent net aggregate changes for the calendar year-to-date.

Paper filers should enclose all net decreases and losses (net reductions of equity capital) in parentheses or report with a minus (-) sign. Electronic filers should report all net decreases and losses (net reductions of equity capital) with a minus (-) sign.

Line Item 1 Equity capital most recently reported for the end of the previous calendar year (i.e., after adjustments from amended Income Statements).

Report the subsidiary's total equity capital balance most recently reported for the previous calendar year-end after the filing of any amended report(s). Include the cumulative effect, net of applicable income taxes, of those changes in any accounting principles adopted during the calendar year-to-date reporting period that were applied retroactively and for which prior years' financial statements were restated. Also, include the sum of all corrections, net of applicable income taxes, resulting from material accounting errors that were made in prior years and not corrected by the filing of an amended report for the period in which the error was made.

Line Item 2 Net income (loss).

Report the net income (loss) for the calendar year-to-date as reported on the Income Statement, item 12, "Net income (loss)."

Line Item 3 Sale, conversion, acquisition, or retirement of common stock and perpetual preferred stock.

Report the changes in the subsidiary's total equity capital resulting from the sale, conversion, acquisition, or retirement of the subsidiary's capital stock. Limited-life preferred stock is not included in equity capital.

Report the total amount of new capital stock issued, net of any expenses associated with the issuance of the stock.

Report the changes in the subsidiary's total equity capital resulting from:

- (1) Sale of the subsidiary's perpetual preferred stock or common stock;
- (2) Exercise of stock options, including:
 - (a) Any income tax benefits to the subsidiary resulting from the sale of the subsidiary's own stock acquired under a qualified stock option within three years of its purchase by the employee who had been granted the option; and
 - (b) Any tax benefits to the subsidiary resulting from the exercise (or granting) of nonqualified stock options (on the subsidiary's stock) based on the difference between the option price and the fair market value of the stock at the date of exercise (or grant);
- (3) The conversion of convertible debt, limited-life preferred stock, or perpetual preferred stock into perpetual preferred or common stock;
- (4) Redemption of perpetual preferred stock or common stock;
- (5) Retirement of perpetual preferred stock or common stock including:

Schedule IS-A

- (a) The net decrease in equity capital which occurs when cash is distributed in lieu of fractional shares in a stock dividend; and
 - (b) The net increase in equity capital when a stockholder who receives a fractional share from a stock dividend purchases the additional fraction necessary to make a whole share; and
- (6) Capital-related transactions involving the subsidiary's Employee Stock Option Plan.

Line Item 4 LESS: Cash dividends declared.

Report all cash dividends declared during the calendar year-to-date, including dividends on common and preferred stock. Include dividends not payable until after the report date. Exclude dividends declared during the previous calendar year but paid in the current period.

Cash dividends are payments of cash to stockholders in proportion to the number of shares they own. Cash dividends on preferred and common stock are to be reported on the date they are declared by the subsidiary's board of directors (the declaration date) by debiting "retained earnings" and crediting "dividends declared not yet payable," which is to be reported in other liabilities. Upon payment of the dividend, "dividends declared not yet payable" is debited for the amount of the cash dividend with an offsetting credit, normally in an equal amount, to "dividend checks outstanding."

A liability for dividends payable may not be accrued in advance of the formal declaration of a dividend by the boards of directors. However, the subsidiary may segregate a portion of retained earnings in the form of a capital reserve in anticipation of the declaration of a dividend.

Line Item 5 Other comprehensive income.

Report the amount of other comprehensive income for the calendar year-to-date. Other comprehensive income

includes changes during the calendar year-to-date in: net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, foreign currency translation adjustments, and minimum pension liability adjustments. Refer to the FR Y-9C instructions and ASC Subtopic 220-10, Comprehensive Income – Overall (formerly FASB Statement No. 130, *Reporting Comprehensive Income*) for additional information on reporting this item.

Line Item 6 Other adjustments to equity capital.

Report all adjustments to equity capital that are not properly reported in items 1 through 5 above. This item should include:

- (1) changes incident to business combinations;
- (2) sales of treasury stock (the resale or the disposal on the subsidiary's own perpetual preferred stock or common stock, i.e., treasury stock transactions);
- (3) LESS: Purchases of treasury stock (the resale or the disposal on the subsidiary's own perpetual preferred stock or common stock, i.e., treasury stock transactions);
- (4) change in offsetting debit to the liability for Employee Stock Ownership Plan (ESOP) debt guaranteed by the subsidiary;
- (5) contributions and distributions to and from partners or limited liability company (LLC) shareholders when the company is a partnership or an LLC; and
- (6) capital contributions not in the form of stock.

Line Item 7 Total equity capital at end of current period.

Report the sum of items 1, 2, 3, 5, and 6, minus item 4. This item must equal Schedule BS, Balance Sheet item 18(g), "Total equity capital."

LINE ITEM INSTRUCTIONS FOR

Changes in Allowance for Loan and Lease Losses Schedule IS-B

General Instructions

Report all changes in the allowance account on a year-to-date basis. When the subsidiary maintains an allowance for possible loan and lease losses, report all related transactions and reconcile, beginning with the balance reported at the end of the previous year, to the balance of the allowance shown in Schedule BS, Balance Sheet, Item 3(b), as of the end of the current period. The provision for possible loan and lease losses should correspond to the amount reported in Schedule IS, item 4, "Provision for loan or lease losses." Exclude transactions pertaining to reserves carried in capital accounts, such as reserves for contingencies that represent a segregation of undivided profits. Also exclude any allowance for credit losses on off-balance-sheet exposures.

Line Item 1 Balance most recently reported at end of previous calendar year.

Include the ending balance as most recently reported for the prior year end in the allowance for possible loan and lease losses account. The amount must reflect the effect of all corrections and adjustments to the allowance for loan and lease losses that were made in any amended report(s) for the previous calendar year-end.

Line Item 2 Recoveries.

Include recoveries of amounts previously charged off against the allowance for possible loan and lease losses.

Line Item 3 Less: Charge-offs.

Enter the amount of gross charge-offs on loans and leases during the calendar year-to-date.

Line Item 4 Provision for loan and lease losses.

This item must equal Schedule IS, item 4, "Provision for loan or lease losses." If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 5 Adjustments.

Include any increase or decrease resulting from foreign currency translation of the allowance for possible loan and lease losses into dollars.

If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 6 Balance at end of current period.

Enter the total of items 1, 2, 4, and 5, minus item 3. This item must equal Schedule BS, item 3(b), "Allowance for Loan and Lease Losses."

LINE ITEM INSTRUCTIONS FOR

Balance Sheet and Off-Balance-Sheet Items Schedule BS

Assets

Items 1 through 8 exclude balances due from related institutions (see definition in the General Instructions). Report balances due from related institutions in item 9.

Line Item 1 Cash and balances due from depository institutions.

Report the total of non-interest bearing and interest-bearing balances due from depository institutions, currency and coin, cash items in process of collection and unposted debits.

Depository institutions consist of commercial banks in the United States, credit unions, mutual and stock savings banks, savings or building and loan associations, cooperative banks, industrial banks that accept deposits, U.S. branches and agencies of foreign banks, and banking organizations in foreign countries.

Balances due from depository institutions include:

- (1) Noninterest-bearing funds on deposit at depository institutions for which the reporting company has already received credit; and
- (2) Interest-bearing balances due from depository institutions, whether in the form of demand, savings or time balances, including certificates of deposit, but excluding certificates of deposits held for trading.

Exclude balances with closed or liquidating banks or other depository institutions and all loans (report in item 3 below). Also exclude balances due from subsidiary banks (and their branches) of the reporting holding company (report in item 9 below).

Cash and due from balances include:

- (1) Cash items in the process of collection that include the following:

- (a) Checks or drafts in the process of collection that are drawn on banking institutions, and payable immediately upon presentation, including checks or drafts already forwarded for collection and checks on hand which will be presented for payment or forwarded for collection on the following business day in the country where the reporting office that is clearing or collecting the check or draft is located;

- (b) Government checks that are drawn on the Treasurer of the United States or any other government agency that are payable immediately upon presentation and that are in process of collection;

- (c) Checks or warrants that are drawn on a foreign government that are payable immediately upon presentation and that are in the process of collection; and

- (d) Amounts credited to deposit accounts in connection with automatic payment arrangements where such credits are made one business day prior to the payment date to ensure the availability of funds on the payment date; and

- (2) Unposted debits are cash items in the reporting organization's possession drawn on itself that are chargeable, but have not yet been charged to the general ledger deposit control account at the close of business on the report date.

Exclude from this item the following:

- (1) Credit or debit card sales slips in process of collection (report as noncash items in item 7, "All other assets"). However, if the reporting organization has been notified that they have been given credit, the amount of such sales slips should be reported in this item;

- (2) Cash items not conforming to the definition of in process of collection, whether or not cleared; and

Schedule BS

(3) Commodity or bill-of-lading drafts (including arrival drafts) not yet payable (because the merchandise against which the draft was drawn has not yet arrived), whether or not deposit credit has been given. (If deposit credit has been given, report such drafts as loans in the appropriate line item; if the drafts were received on a collection basis, exclude them entirely until the funds have actually been collected.)

Line Item 2 Securities.

Report the amount of U.S. Treasury securities, U.S. government agency and corporation obligations, securities issued by states and political subdivisions in the U.S., and all other debt and equity securities with readily determinable fair values. Also, include as debt securities all holdings of commercial paper. Report held-to-maturity securities in item 2(a) and available-for-sale securities in item 2(b). Exclude equity securities that do not have readily determinable fair values and report these equity securities in item 7, "All other assets."

ASC Topic 320, Investments-Debt and Equity Securities (formerly FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*), requires depository institutions to divide their securities holdings among three categories: held-to-maturity, available-for-sale, and trading securities. This accounting standard provides a different accounting treatment for each category. Under ASC Topic 320, only those debt securities for which an institution has the positive intent and ability to hold to maturity may be included in the held-to-maturity account, and the institution would continue to account for these debt securities at amortized cost.

Securities in the available-for-sale category under ASC Topic 320 are those securities for which an institution does not have the positive intent and ability to hold to maturity, yet does not intend to trade as part of its trading account. Report available-for-sale securities at fair value, and report unrealized holding gains (losses) on these securities, net of the applicable tax effect, as a separate component of equity capital in Schedule BS, item 18(d), "Accumulated other comprehensive income."

Trading securities are debt and equity securities that an institution buys and holds principally for the purpose of selling in the near term. Report trading securities at fair value (generally, market value), and report unrealized

held for investment
and held for sale,
net of the

held for investment
and held for sale

changes in value (appreciation and depreciation) directly in the income statement as a part of earnings. Exclude all trading securities from this item and report trading securities in Schedule BS, item 4, "Trading assets."

Line Item 2(a) Held-to-maturity securities.

Report the amortized cost of held-to-maturity securities.

Line Item 2(b) Available-for-sale securities.

Report the fair value of available-for-sale securities.

Line Item 3 Loans and lease financing receivables (including federal funds sold).

Line Item 3(a) Loans and leases, ~~net of unearned income.~~

Report the aggregate book value of all loans and leases of the subsidiary, net of unearned income, before the deduction of the "Allowance for loan and lease losses," (report in item 3(b)). This item must equal Schedule BS-A, item 6. See Schedule BS-A, "General Instructions," for further detail.

Line Item 3(b) Less: Allowance for loan and lease losses.

Report the allowance for loan and lease losses as determined in accordance with generally accepted accounting principles (GAAP) for the subsidiary. Exclude any allowance for loan and lease losses on loans and leases with related institutions.

Line Item 3(c) ~~Loan and lease financing receivables, net of unearned income and allowance for loan and lease losses.~~

Report the amount derived by subtracting item 3(b) from item 3(a).

Line Item 4 Trading assets.

Subsidiaries that (a) regularly underwrite or deal in securities, interest rate contracts, foreign exchange rate contracts, other commodity and equity derivative contract, other financial instruments, and other assets for resale, (b) acquire or take positions in such items principally for the purpose of selling in the near term or otherwise with the intent to resell in order to profit from short-term price movements, or (c) acquire or take positions in such items as an accommodation to customers or for other trading purposes shall report in this item the

Schedule BS

value of such assets or positions on the report date. Assets and other financial instruments held for trading shall be valued at fair value.

Assets held in trading accounts include, but are not limited to:

- (1) U.S. Treasury securities;
- (2) U.S. government agency and corporation obligations;
- (3) Securities issued by states and political subdivisions in the U.S.;
- (4) Securities of all foreign governments and official institutions;
- (5) Equity securities;
- (6) Other bonds, notes, and debentures;
- (7) Certificates of deposit;
- (8) Commercial paper;
- (9) Bankers acceptances; and
- (10) Revaluation gains from derivative contracts.

Line Item 5 Premises and fixed assets (including capitalized leases).

Report the book value, less accumulated depreciation or amortization, of all premises, equipment, furniture, and fixtures purchased directly or acquired by means of a capital lease. Any method of depreciation or amortization conforming to generally accepted accounting principles may be used.

Include as premises and fixed assets:

- (1) Premises that are actually owned and occupied (or to be occupied, if under construction) by the subsidiary;
- (2) Leasehold improvements, vaults, and fixed machinery and equipment;
- (3) Remodeling costs to existing premises;
- (4) Real estate acquired and intended to be used for future expansion;
- (5) Parking lots that are used by customers or employees of the subsidiary;
- (6) Furniture, fixtures, and movable equipment of the subsidiary;

- (7) Automobiles, airplanes, and other vehicles owned by the subsidiary and used in the conduct of its business;
- (8) The amount of capital lease property (with the subsidiary as lessee), premises, furniture, fixtures, and equipment; and
- (9) Stocks and bonds issued by nonmajority-owned corporations whose principal activity is the ownership of land, buildings, equipment, furniture, or fixtures occupied or used (or to be occupied or used) by the subsidiary.

Property formerly but no longer used for subsidiary activities may be reported in this item as "Premises and fixed assets" or in item 6, "Other real estate owned."

Exclude from premises and fixed assets:

- (1) Original paintings, antiques, and similar valuable objects (report in item 7, "All other assets");
- (2) Favorable leasehold rights (report in Schedule BS-M, item 5(e), "All other identifiable intangible assets"); and
- (3) Loans and advances, whether secured or unsecured, to individuals, partnerships, and nonmajority-owned corporations for the purpose of purchasing or holding land, buildings, or fixtures occupied or used (or to be occupied or used) by the subsidiary (report in item 3(a) "Loans and lease financing receivables, net of unearned income").

Line Item 6 Other real estate owned.

Report the book value (not to exceed the fair value), less accumulated depreciation, if any, of all real estate other than premises actually owned by the subsidiary.

Exclude any property necessary for the conduct of banking business (report in item 5 above, "Premises and fixed assets"). Property formerly but no longer used for subsidiary activities may be reported in this item or in item 5 above.

Include as other real estate owned:

- (1) Real estate acquired in any manner for debts previously contracted (including, but not limited to, real estate acquired through foreclosure and real estate acquired by deed in lieu of foreclosure), even if the subsidiary has not yet received title to the property;

Schedule BS

- (2) Real estate collateral underlying a loan when the subsidiary has obtained physical possession of the collateral, regardless of whether formal foreclosure proceedings have been instituted against the borrower;
- (3) Foreclosed real estate sold under contract and accounted for under the deposit method of accounting in accordance with ASC Subtopic 360-20, Property, Plant, and Equipment – Real Estate Sales (formerly FASB Statement No. 66, *Accounting for Sales of Real Estate*);
- (4) Any real estate acquired, directly or indirectly, by the subsidiary and held for development or other investment purposes;
- (5) Real estate acquisition, development, or construction (ADC) arrangements that are accounted for as direct investments in real estate or real estate joint ventures in accordance with ASC Subtopic 310-10, Receivables – Overall (formerly AICPA Practice Bulletin 1, Appendix, Exhibit I, *ADC Arrangements*);
- (6) Real estate acquired and held for investment by the subsidiary that has been sold under contract and accounted for under the deposit method in accordance with ASC Subtopic 360-20;
- (7) Any other loans secured by real estate and advanced for real estate acquisition, development, or investment purposes if the reporting subsidiary in substance has virtually the same risks and potential rewards as an investor in the borrower's real estate venture;
- (8) Investments in corporate joint ventures, unincorporated joint ventures, and general or limited partnerships that are primarily engaged in the holding of real estate for development, resale, or other investment purposes and over which the subsidiary does not exercise significant influence; and
- (9) Property originally acquired for future expansion but no longer intended to be used for that purpose.

Line Item 7 All other assets.

Report all other assets held by the respondent subsidiary that cannot be properly included in any of the preceding items. Include investments in nonrelated companies, customers' liability on acceptances outstanding, goodwill, and intangible assets. Also report income earned but not collected, prepaid expenses, accounts receivable, and

the positive fair value of all derivatives held for purposes other than trading.

Report net deferred tax assets in this item and net deferred tax liabilities in item 14, "Other liabilities." Exclude all balances due from related institutions and investments in all subsidiaries and associated companies. Report such transactions in item 9.

Line Item 8 Claims on nonrelated organizations.

Enter the sum of items 1, 2, and 3(c) through 7.

Line Item 9 Balances due from related institutions, gross.

Report all balances due from the top-tier holding company or banking organization, all balances due from subsidiary banks (or their branches) or subsidiary holding companies of the top-tier holding company, and all balances due from other subsidiaries of these organizations (including subsidiaries of the parent organization and the reporting nonbank subsidiary), on a gross basis. Include the amount of the subsidiary's investment in all (whether consolidated or unconsolidated) subsidiaries, associated companies, corporate joint ventures, unincorporated joint ventures, and general partnerships over which the respondent exercises significant influence; and noncontrolling investments in certain limited partnerships and limited liability companies (as described in the FR Y-9C Glossary entry for "equity method of accounting"), less any dividends paid or declared.

Exclude all balances due to related institutions and include in item 16.

Line Item 10 Total assets.

Report the sum of items 8 and 9.

Liabilities and Equity Capital

Items 11 through 15 exclude balances due to related institutions. Report balances due to related institutions in item 16.

Line Item 11 Trading liabilities.

Report the amount of liabilities from the reporting subsidiary's trading activities. Include liabilities resulting from the sales of assets that the reporting subsidiary does not

Schedule BS

own (short position) and revaluation losses from “marking to market” (or the “lower of cost or market”) of interest rate, foreign exchange rate, and other commodity and equity contracts into which the reporting subsidiary has entered for trading, dealer, customer accommodation, and similar purposes.

Line Item 12 Other borrowed money with a remaining maturity of one year or less (including commercial paper issued and federal funds purchased).

Report the total amount of money borrowed by the subsidiary with a remaining maturity of one year or less. Include outstanding commercial paper issued and federal funds purchased. For purposes of this item, remaining maturity is the amount of time remaining from the report date until final contractual maturity of a borrowing without regard to the borrowing’s repayment schedule, if any.

Borrowings may take the form of:

- (1) Demand notes issued to the U.S. Treasury;
- (2) Promissory notes;
- (3) Notes and bills rediscounted (including commodity drafts rediscounted);
- (4) Loans sold under repurchase agreements and sales of participations in pools of loans that mature in more than one business day;
- (5) Due bills issued representing the subsidiary’s receipt of payment and similar instruments, whether collateralized or uncollateralized;
- (6) Overnight and “Term federal funds” purchased;
- (7) Securities sold under agreements to repurchase; and
- (8) Mortgage indebtedness and obligations under capitalized leases with a remaining maturity of one year or less.

Exclude all borrowings with related institutions. Report such borrowings in item 16.

Line Item 13 Other borrowed money with a remaining maturity of more than one year (including subordinated debt and limited-life preferred stock and related surplus).

Report the total amount of all borrowings of the subsidiary with a remaining maturity of more than one year,

including subordinated debt, limited-life preferred stock, and related surplus. For purposes of this item, remaining maturity is the amount of time remaining from the report date until final contractual maturity of a borrowing without regard to the borrowing’s repayment schedule, if any.

Borrowings may take the form of:

- (1) Promissory notes;
- (2) Perpetual debt securities that are unsecured and not subordinated;
- (3) Notes and bills rediscounted (including commodity drafts rediscounted);
- (4) Loans sold under repurchase agreements and sales of participations in pools of loans that mature in more than one business day;
- (5) Due bills issued representing the subsidiary’s receipt of payment and similar instruments, whether collateralized or uncollateralized;
- (6) “Term federal funds” purchased;
- (7) Securities sold under agreements to repurchase;
- (8) Notes and debentures issued by the respondent subsidiary; and
- (9) Mortgage indebtedness and obligations under capitalized leases with a remaining maturity of more than one year; and
- (10) Limited-life preferred stock. Limited life preferred stock is preferred stock that has a stated maturity date or that can be redeemed at the option of the holder. It excludes those issues of preferred stock that automatically convert into perpetual preferred stock at a stated date.

Exclude all borrowings with related institutions. Report such borrowings in item 16.

Line Item 14 Other liabilities.

Report the total amount of all other liabilities that cannot be properly reported in items 11 through 13. Include liabilities such as deposits held by the subsidiary, liability on acceptances outstanding, expenses accrued and unpaid, deferred income taxes (if credit balance), dividends declared but not yet payable, accounts payable (other than expenses accrued and unpaid), liability on deferred payment letters of credit, deferred gains from

Schedule BS

sale-leaseback transactions, unamortized loan fees (other than those that represent an adjustment of the interest yield, if material), and reserves for credit risk on off-balance sheet items.

Also, report all derivatives with negative fair value held for purposes other than trading in this item. Exclude all liabilities with related institutions. Report such liabilities in item 16.

Line Item 15 Liabilities to nonrelated organizations.

Enter the sum of items 11 through 14.

Line Item 16 Balances due to related institutions, gross.

Report all balances due to the top-tier holding company or banking organization, all balances due to subsidiary banks (or their branches) or subsidiary holding companies of the top-tier holding company, and all balances due to other subsidiaries of these organizations (including subsidiaries of the parent organization), on a gross basis.

Exclude all balances due from related institutions and include in item 9.

Line Item 17 Total liabilities.

Report the sum of items 15 and 16.

Line Item 18 Equity capital.

Equity capital represents the sum of capital stock, surplus, undivided profits, and various reserve accounts.

Line Item 18(a) Stock.

If the subsidiary is in corporate form, report the amount of perpetual preferred stock issued, including any amounts received in excess of its par or stated value, and the aggregate par or stated value of common stock issued.

If the subsidiary is not in corporate form, report the amount of general or limited partnership shares or interests issued in item 18(e).

Line Item 18(b) Surplus (exclude all surplus related to preferred stock).

If the subsidiary is in corporate form, report the net amount formally transferred to the surplus account, including capital contributions, and any amount received

for common stock in excess of its par or stated value on or before the report date. Exclude any portion of the proceeds received from the sale of limited-life preferred stock in excess of its par or stated value (report in item 13) or any portion of the proceeds received from the sale of perpetual preferred stock in excess of its par or stated value (report in item 18(a)).

If the subsidiary is not in corporate form, report the amount of general or limited partnership shares or interests issued in item 18(e).

Line Item 18(c) Retained earnings.

Report the amount of retained earnings (including capital reserves) as of the report date. The amount of the retained earnings should reflect the transfer of net income, declaration of dividends, transfers to surplus, and any other appropriate entries. Adjustments of accruals and other accounting estimates made shortly after the report date that relate to the income and expenses of the year-to-date period ended as of the report date must be reported in the appropriate items of the Income Statement for that year-to-date period.

Capital reserves are segregations of retained earnings and are not to be reported as liability accounts or as reductions of asset balances. Capital reserves may be established for such purposes as follows:

- (1) Reserve for undeclared stock dividends, which includes amounts set aside to provide for stock dividends (not cash dividends) not yet declared;
- (2) Reserve for undeclared cash dividends, which includes amounts set aside for cash dividends on common and preferred stock not yet declared (report cash dividends declared but not yet payable in item 14);
- (3) Retirement account (for limited-life preferred stock or notes and debentures subordinated to deposits), which includes amounts allocated under the plan for retirement of limited-life preferred stock or notes and debentures subordinated to deposits contained in the subsidiary's articles of association or in the agreement under which such stock or notes and debentures were issued; and
- (4) Reserve for contingencies, which includes amounts set aside for possible unforeseen or indeterminate

Schedule BS

liabilities not otherwise reflected on the subsidiary's books and not covered by insurance.

Exclude from retained earnings:

- (1) The amount of the cumulative foreign currency translation adjustment (report in item 18(d));
- (2) Any portion of the proceeds received from the sale of perpetual preferred stock and common stock in excess of its par or stated value except where required by state law or regulation (report surplus related to perpetual preferred stock in item 18(a) and surplus related to common stock in item 18(b));
- (3) Any portion of the proceeds received from the sale of limited-life preferred stock in excess of its par or stated value (report in item 13); and
- (4) "Reserves" that reduce the related asset balances such as valuation allowances (e.g., allowance for loan and lease losses), reserves for depreciation, and reserves for bond premiums.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 18(d) Accumulated other comprehensive income.

Report the amount of other comprehensive income in conformity with the requirements of ASC Subtopic 220-10, Comprehensive Income – Overall (formerly FASB Statement No. 130, *Reporting Comprehensive Income*). Accumulated other comprehensive income includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, foreign currency translation adjustments, and minimum pension liability adjustments. Net unrealized holding gains (losses) on available-for-sale securities is the difference between the amortized cost and fair value of the subsidiary's available-for-sale securities, net of tax effects, as of the report date.

For most subsidiaries, all "securities," as the term is defined in ASC Topic 320, Investments-Debt and Equity Securities (formerly FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*), that are designated as "available-for-sale" will be reported as "available-for-sale securities" in item 2(b), above. However, a subsidiary may have certain assets

that fall within the definition of "securities" in ASC Topic 320 (e.g., commercial paper or nonrated industrial development obligations) that the subsidiary has designated as "available-for-sale" which are reported for purposes of this report in a balance sheet category other than "securities" (e.g., "loans and lease financing receivables"). These "available-for-sale" assets must be carried on the balance sheet at fair value rather than amortized cost and the difference between these two amounts, net of tax effects, must be included in this item.

Also include the unamortized amount of the unrealized holding gain or loss at the date of transfer of any debt security transferred into the held-to-maturity category from the available-for-sale category. When a debt security is transferred from available-for-sale to held-to-maturity, report the unrealized holding gain or loss at the date of transfer in this equity capital account and amortize it over the remaining life of the security as an adjustment of yield in a manner consistent with the amortization of any premium or discount. Accumulated net gains (losses) on cash flow hedges is the effective portion of the accumulated change in fair value (gain or loss) on derivatives designated and qualifying as cash flow hedges in accordance with ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended).

Under ASC Topic 815, a subsidiary that elects to apply hedge accounting must exclude from net income the effective portion of the change in fair value of a derivative designated as a cash flow hedge and record it on the balance sheet in a separate component of equity capital (referred to as "accumulated other comprehensive income" in the accounting standard). Report the ineffective portion of the cash flow hedge in earnings. Adjust the equity capital component (i.e., the accumulated other comprehensive income) associated with a hedged transaction each reporting period to a balance that reflects the lesser (in absolute amounts) of:

- (1) The cumulative gain or loss on the derivative from inception of the hedge, less (a) amounts excluded consistent with the subsidiary's defined risk management strategy and (b) the derivative's gains or losses previously reclassified from accumulated other comprehensive income into earnings to offset the hedged transaction, or
- (2) The portion of the cumulative gain or loss on the derivative necessary to offset the cumulative change

Schedule BS

in expected future cash flows on the hedged transaction from inception of the hedge less the derivative's gains or losses previously reclassified from accumulated other comprehensive income into earnings.

Accordingly, the amount reported in this item should reflect the sum of the adjusted balance (as described above) of the cumulative gain or loss for each derivative designated and qualifying as a cash flow hedge. These amounts will be reclassified into earnings in the same period or periods during which the hedged transaction affects earnings (for example, when a hedged variable rate interest receipt on a loan is accrued or when a forecasted sale occurs).

Report the sum of the subsidiary's foreign currency translation adjustments accumulated in accordance with ASC Topic 830, Foreign Currency Matters (formerly FASB Statement No. 52, *Foreign Currency Translation*). Report any minimum pension liability adjustment recognized in accordance with ASC Topic 715, Compensation-Retirement Benefits (formerly FASB Statement No. 87, *Employers' Accounting for Pensions*). Under ASC Topic 715, an employer must report in a separate component of equity capital, net of any applicable tax benefits, the excess of additional pension liability over unrecognized prior service cost.

Refer to the FR Y-9C instructions and ASC Subtopic 220-10 for additional information on reporting this item.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 18(e) General and limited partnership shares and interests.

Report the amount of general or limited partnership shares or interests issued if the subsidiary is not in corporate form.

If this amount is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 18(f) Other equity capital components.

Report all other equity capital components including the total carrying value (at cost) of treasury stock, unearned Employee Stock Ownership Plan (ESOP) shares, and

capital contributions not in the form of stock as of the report date. Refer to the FR Y-9C instructions for additional information on reporting this item.

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 18(g) Total equity capital.

Report the sum of items 18(a) through 18(f). This item must equal Schedule IS-A, Changes in Equity Capital, item 7, "Total equity capital at end of current period."

If the amount reported in this item is negative, paper filers should enclose it in parentheses or report with a minus (-) sign. Electronic filers should report negative amounts with a minus (-) sign.

Line Item 19 Total liabilities and equity capital.

Report the sum of items 17 and 18(g). This item must equal item 10, "Total assets."

Derivatives and Off-Balance-Sheet Items

Report the following selected commitments, contingencies, and other off-balance-sheet items and derivative contracts. Include transactions with related organizations. Exclude contingencies arising in connection with litigation.

Report in items 20 and 21 the unused portions of commitments. Unused commitments are to be reported gross, i.e., include in the appropriate item the unused amount of commitments acquired from and conveyed or participated to others. However, exclude commitments conveyed or participated to others that the subsidiary is not legally obligated to fund even if the party to whom the commitment has been conveyed or participated fails to perform in accordance with the terms of the commitment.

For purposes of items 20 and 21, commitments include:

- (1) Commitments to make or purchase extensions of credit in the form of loans or participations in loans, lease financing receivables, or similar transactions.
- (2) Commitments for which the subsidiary has charged a commitment fee or other consideration.
- (3) Commitments that are legally binding.

Schedule BS

- (4) Loan proceeds that the subsidiary is obligated to advance, such as:
 - (a) Loan draws;
 - (b) Construction progress payments; and
 - (c) Seasonal or living advances to farmers under prearranged lines of credit.
- (5) Rotating, revolving, and open-end credit arrangements, including, but not limited to, retail credit card lines and home equity lines of credit.
- (6) Commitments to issue a commitment at some point in the future, where the subsidiary has extended terms, the borrower has accepted the offered terms, and the extension and acceptance of the terms are in writing or, if not in writing, are legally binding on the subsidiary and the borrower, even though the related loan agreement has not yet been signed.
- (7) Overdraft protection on depositors' accounts offered under a program where the subsidiary advises account holders of the available amount of overdraft protection, for example, when accounts are opened or on depositors' account statements or ATM receipts.
- (8) The subsidiary's own takedown in securities underwriting transactions.
- (9) Revolving underwriting facilities (RUFs), note issuance facilities (NIFs), and other similar arrangements, which are facilities under which a borrower can issue on a revolving basis short-term paper in its own name, but for which the underwriting subsidiary has a legally binding commitment either to purchase any notes the borrower is unable to sell by the rollover date or to advance funds to the borrower.

Exclude forward contracts and other commitments that meet the definition of a derivative and must be accounted for in accordance with ASC Topic 815, *Derivatives and Hedging – Overall* (formerly FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended), which should be reported in items 25 through 29, as appropriate. Include the amount (not the fair value) of the unused portions of loan commitments that do not meet the definition of a derivative that the subsidiary has elected to report at fair value under a fair value option. Also include forward contracts that do not meet the definition of a derivative.

Report the unused portions of commitments in the appro-

priate item regardless of whether they contain “material adverse change” clauses or other provisions that are intended to relieve the issuer of its funding obligations under certain conditions and regardless of whether they are unconditionally cancelable at any time.

In the case of commitments for syndicated loans, report only the subsidiary's proportional share of the commitment.

For purposes of reporting the unused portions of revolving asset-based lending commitments, the commitment is defined as the amount a subsidiary is obligated to fund – as of the report date – based on the contractually agreed upon terms. In the case of revolving asset-based lending, the unused portions of such commitments should be measured as the difference between (a) the lesser of the contractual borrowing base (i.e., eligible collateral times the advance rate) or the note commitment limit, and (b) the sum of outstanding loans and letters of credit under the commitment. The note commitment limit is the overall maximum loan amount beyond which the subsidiary will not advance funds regardless of the amount of collateral posted. This definition of “commitment” is applicable only to revolving asset-based lending, which is a specialized form of secured lending in which a borrower uses current assets (e.g., accounts receivable and inventory) as collateral for a loan. The loan is structured so that the amount of credit is limited by the value of the collateral.

Line Item 20 Unused commitments on securities underwriting.

Report the unsold portion of the subsidiary's own takedown in securities underwriting transactions. Include revolving underwriting facilities (RUFs), note issuance facilities (NIFs), and other similar arrangements.

Line Item 21 Unused commitments on loans and all other unused commitments.

Report the unused portion of commitments to extend credit for the following loans:

- (1) Revolving, open-end loans secured by 1–4 family residential properties, e.g., home equity lines;
- (2) Commercial real estate, construction, and land development;
- (3) Commitments to fund loans secured by real estate;

Schedule BS

- (4) Commitments to fund loans not secured by real estate;
- (5) Credit card lines;
- (6) Overdraft facilities;
- (7) Commercial lines of credit; and
- (8) Retail check credit and related plans.

Line Item 22 Standby letters of credit and foreign office guarantees.

Report the amount outstanding and unused as of the report date of all standby letters of credit (and all legally binding commitments to issue standby letters of credit) issued by the subsidiary. The originating subsidiary must report the full outstanding and unused amount of standby letters of credit in which participations have been conveyed to others where (a) the originating and issuing subsidiary is obligated to pay the full amount of any draft drawn under the terms of the standby letter of credit and (b) the participating companies have an obligation to partially or wholly reimburse the originating subsidiary, either directly in cash or through a participation in a loan to the account party. The originating subsidiary also must report the amount of standby letters of credit conveyed to others through participations. The subsidiary participating in such arrangements must report the full amount of their contingent liabilities to participate in such standby letters of credit without deducting any amounts that they may have reparticipated to others. Participating subsidiaries also must report the amount of interest in transactions that they have reparticipated to others, if any. Also include those standby letters of credit that are collateralized by cash on deposit.

Line Item 23 Commercial and similar letters of credit.

Report the amount outstanding and unused as of the report date of issued or confirmed commercial letters of credit, travelers' letters of credit not issued for money or its equivalent, and all similar letters of credit, but excluding standby letters of credit (which are to be reported in item 22 above). Report legally binding commitments to issue commercial letters of credit.

Line Item 24 Commitments to purchase foreign currencies and U.S. dollar exchange (spot, forward, and futures).

Report the gross aggregate par value or notional amount (stated in U.S. dollars) of all futures contracts, forward

and spot contracts to purchase foreign (non-U.S.) currencies and U.S. dollar exchange that are outstanding as of the report date. A purchase of U.S. dollar exchange is equivalent to a sale of foreign currency. Report only one side of a foreign currency transaction. In those transactions where foreign (non-U.S.) currencies are bought or sold against U.S. dollars, report only that side of the transaction that involves the foreign (non-U.S.) currency. A currency futures contract is a standardized agreement for delayed delivery of a foreign (non-U.S.) currency in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified amount at a specified exchange rate. Future contracts are traded on organized exchanges that act as the counterparty to each contract.

A forward foreign exchange contract is an agreement for delayed delivery of a foreign (non-U.S.) currency in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified amount at a specified exchange rate. These contracts are not standardized and are traded in an over-the-counter market. A spot contract is an agreement for the immediate delivery, usually within two days, of a foreign currency at the prevailing spot rate. Contracts are outstanding (i.e., open) until they have been canceled by acquisition or delivery of the underlying currencies or, for futures contracts, by offset. ("Offset" is the purchase and sale of an equal number of contracts on the same underlying currencies for the same delivery month, executed through the same clearing member on the same exchange.)

Line Item 25 All other futures and forward contracts (excluding contracts involving foreign exchange).

Report the gross aggregate par value or notional amount of all other futures and forward contracts not included in item 24. Include futures and forward interest rate contracts (e.g., U.S. Treasury securities futures, forward rate agreements, and forward agreements on U.S. government securities) and futures and forward contracts on other commodities (e.g., stock index and commodity contracts). Report the aggregate par value of all futures and forward contracts that are related to an interest-bearing financial instrument or whose cash flows are determined by referencing interest rates or another interest rate contract.

Report futures and forward contracts that commit the subsidiary to purchase or sell agricultural products (e.g.,

Schedule BS

wheat or coffee), precious metals (e.g., gold or platinum), non-ferrous metals (e.g., copper or zinc) or any other commodity.

Futures and forward contracts are agreements for delayed delivery of financial instruments or other commodities in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified instrument or commodity at a specified price. Futures contracts are standardized, transferable agreements traded on organized exchanges that act as the counterparty to each contract. Forward contracts are not standardized and are not traded on organized exchanges. The contract amount to be reported for futures and forward contracts on commodities is the quantity, (i.e., number of units) of the commodity or product contracted for purchase or sale multiplied by the contract price of a unit.

Line Item 26 Option contracts.

Report the amount of written option contracts in item 26(a), and the amount of purchased option contracts in item 26(b). In reporting items 26(a) and 26(b), do not net the following:

- (1) Obligations of the subsidiary to buy against the subsidiary's obligations to sell, or
- (2) Written options against purchased options.

An option contract conveys either the right or the obligation, depending upon whether the reporting subsidiary is the purchaser or the writer, respectively, to (1) buy or sell a financial instrument or an interest rate futures contract on a financial instrument at a specified price by a specified future date, (2) exchange two different currencies at a specified exchange rate, or (3) buy or sell stock options, stock index options, or other commodities. Options can be traded on organized exchanges. In addition, options can be written to meet the specialized needs of the counterparties to the transaction. These customized option contracts are known as over the counter (OTC) options and are not generally traded.

Line Item 26(a) Written option contracts.

Report the amount of all financial instruments (aggregate par value), foreign currencies, and other commodities that the reporting subsidiary has obligated itself, for compensation (such as a fee or premium), to either purchase or sell under option contracts that are outstanding as of the report date.

Line Item 26(b) Purchased option contracts.

Report the amount of all financial instruments (aggregate par value), foreign currencies, and other commodities that the reporting subsidiary has purchased, for compensation (such as a fee or premium), the right to either purchase or sell under option contracts that are outstanding as of the report date. In the case of option contracts giving the reporting subsidiary the right to either purchase or sell a futures contract, report the amount of the financial instrument, foreign currency, or other commodity underlying the futures contract.

Line Item 27 Notional value of interest rate swaps.

Report the notional value of all outstanding interest rate and basis swaps. In those cases where the subsidiary is acting as an intermediary, report both sides of the transaction. Include cross-currency interest rate swaps that do not involve the exchange of principal amounts between the counterparties. An interest rate swap is a transaction in which two parties agree to exchange the interest payment streams on a specified principal amount of assets or liabilities for a certain number of years. The notional value of an interest rate swap is the underlying principal amount upon which the exchange of interest income or expense is based.

Line Item 28 Notional value of exchange swaps.

Report the notional principal value (stated in U.S. dollars) of all outstanding cross-currency interest rate swaps. In those cases where the subsidiary is acting as an intermediary, report both sides of the transaction. A cross-currency interest rate swap is a transaction in which two parties agree to exchange principal amounts of different currencies, usually at the prevailing spot rate, at the inception of the agreement, which lasts for a certain number of years. Over the life of the swap, the counterparties exchange payments in the different currencies based on fixed rates of interest. When the agreement matures, the principal amounts will be re-exchanged at the same spot rate. The notional value of a cross-currency interest rate swap is the underlying principal amount upon which the exchange is based.

Line Item 29 Notional value of other swaps.

Report the notional principal value of all other swap agreements that are not reportable as either interest or foreign exchange rate contracts in items 27 or 28.

Schedule BS

Line Item 30 All other off-balance-sheet liabilities.

With the exceptions listed below, report all types of off-balance-sheet items not covered in other items of this schedule. Other off-balance-sheet liabilities include, but are not limited to:

- (1) Securities borrowed against collateral (other than cash) or on an uncollateralized basis;
- (2) Securities lent against collateral or on an uncollateralized basis (other than cash);
- (3) Commitments to purchase and to sell securities that have not been issued (when-issued securities) and are excluded from the requirements of ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended) and are not reported in item 25;
- (4) Credit derivatives, including contracts where the subsidiary is the beneficiary;
- (5) Participations in acceptances conveyed to others by the reporting subsidiary or acquired by the subsidiary;
- (6) Financial guarantee insurance that insures the timely payment of principal and interest on bond issues;
- (7) Letters of indemnity other than those issued in connection with the replacement of lost or stolen official checks; and
- (8) Shipment or dockside guarantees or similar guarantees relating to missing bills of lading or title documents and other document guarantees that facilitate the replacement of lost or destroyed documents and negotiable instruments.

Exclude from other off-balance-sheet items:

- (1) All items that are required to be reported on the balance sheet, such as repurchase and resale agreements;
- (2) Commitments to purchase property being acquired for lease to others (reported in item 23);

- (3) Contingent liabilities arising in connection with litigation in which the subsidiary is involved; and
- (4) Signature or endorsement guarantees of the type associated with the regular clearing of negotiable instruments or securities in the normal course of business.

Memoranda

Memoranda items 1(a) and 1(b) are to be completed by subsidiaries that have elected to account for financial instruments or servicing assets and liabilities at fair value under a fair value option.

Memoranda items 1(a) and 1(b) are to be completed by subsidiaries that have adopted ASC Topic 820, Fair Value Measurements and Disclosures (formerly FASB Statement No. 157, *Fair Value Measurements*), and have elected to report certain assets and liabilities at fair value with changes in fair value recognized in earnings in accordance with U.S. generally accepted accounting principles (GAAP) (i.e., ASC Subtopic 825-10, Financial Instruments – Overall (formerly FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*); ASC Subtopic 815-15, Derivatives and Hedging – Embedded Derivatives (formerly FASB Statement No. 155, *Accounting for Certain Hybrid Financial Instruments*); and ASC Subtopic 860-50, Transfers and Servicing – Servicing Assets and Liabilities (formerly FASB Statement No. 156, *Accounting for Servicing of Financial Assets*)). This election is generally referred to as the fair value option.

Line Item 1 Financial assets and liabilities measured at fair value under a fair value option.

Line Item 1(a) Total assets.

Report the total fair value of all assets that the subsidiary has elected to account for under the fair value option that is included in Schedule BS, Balance Sheet.

Line Item 1(b) Total liabilities.

Report the total fair value of all liabilities that the subsidiary has elected to account for under the fair value option that is included in Schedule BS, Balance Sheet.

LINE ITEM INSTRUCTIONS FOR

Loans and Lease Financing Receivables

Schedule BS-A

General Instructions

Loans and lease financing receivables are extensions of credit resulting from either direct negotiation between the subsidiary and their customers or the purchase of such assets from others. Loans may take the form of promissory notes, acknowledgments of advance, due bills, invoices, overdrafts, acceptances held, factoring account receivables, and similar written or oral obligations.

Include the dollar amount outstanding of all federal funds sold (including “term federal funds”) and securities purchased under agreement to resell. Also include resale agreements involving assets other than securities.

Exclude:

- (1) All loans and leases with related institutions (including federal funds sold and securities purchased under agreements to resell), which are to be reported in Schedule BS, item 9;
- (2) Any loans or leases that the subsidiaries have sold or charged off;
- (3) The fair value of any assets received in full or partial satisfaction of a loan or lease (unless the asset received is itself reportable as a loan or lease) and any loans for which the subsidiary has obtained physical possession of the underlying collateral regardless of whether formal foreclosure or repossession proceedings have been instituted against the borrower;
- (4) Holdings of commercial paper (report in Schedule BS, item 2, “Securities”);
- (5) Contracts of sale or other loans indirectly representing other real estate (report in Schedule BS, item 6, “Other real estate owned”); and
- (6) Loans and leases held for trading purposes (report in Schedule BS, item 4, “Trading assets”).

Exclude all transactions with related institutions. Include in items 1 through 7 all loans and leases on the books of the subsidiary even if on the report date they are past due and collection is doubtful. Also report all loans and leases held for sale as part of the subsidiary’s mortgage banking activities or activities of a similar nature involving other types of loans. Loans held for sale shall be reported at the lower of cost or market value. Exclude any loans or leases the subsidiary has charged off (report in Schedule IS-B, item 3, “less: charge-offs.” Report the aggregate book value of all loans and leases before deduction of the allowance for loan and lease losses. Report each item in this schedule net of (1) unearned income (to the extent possible), (2) any applicable allocated transfer risk reserve, and (3) deposits accumulated for the payment of personal loans (hypothecated deposits).

Line Item 1 Loans secured by real estate.

Report all loans (other than those to states and political subdivisions in the U.S.), regardless of purpose and regardless of whether originated by the subsidiary or purchased from others, that are secured by real estate as evidenced by mortgages, deeds of trust, land contracts, or other instruments, whether first or junior liens (e.g., equity loans or second mortgages) on real estate. For additional information, refer to the FR Y-9C glossary entry for “loans secured by real estate.”

Line Item 2 Loans to depository institutions.

Report all loans (other than those secured by real estate), including overdrafts, to banks, other depository institutions, and other associations, companies, and financial intermediaries whose primary business is to accept deposits and to extend credit for business or for personal expenditure purposes. This includes commercial banks in the U.S., foreign branches of U.S. banks and banks in foreign countries. Report the subsidiary’s holdings of all bankers acceptances accepted by unrelated banks

Schedule BS-A

(i.e., banks that are not direct or indirect subsidiaries of the subsidiary's holding company or parent organization).

Exclude acceptances accepted by related banks (i.e., banks that are direct or indirect subsidiaries of the subsidiary's holding company or parent organization). Also exclude loans to foreign governments and foreign official institutions.

Line Item 3 Commercial and industrial loans.

Report all loans (regardless of domicile) for commercial and industrial purposes to sole proprietorships, partnerships, corporations, and other business enterprises, whether secured (other than by real estate) or unsecured, single-payment or installment. These loans may take the form of direct or purchased loans. Include commercial and industrial loans guaranteed by foreign governmental institutions.

Exclude:

- (1) Loans secured by real estate (report in item 1);
- (2) Loans for the purpose of financing agricultural production, whether made to farmers or to nonagricultural businesses (report in item 5);
- (3) Loans to finance companies and insurance companies (report in item 5);
- (4) Loans to broker and dealers in securities, investment companies, and mutual funds (report in item 5);
- (5) Loans to depository institutions (report in item 2);
- (6) Loans to nonprofit organizations (report in item 5); and
- (7) Loans to nondepository financial institutions (report in item 5).

Line Item 4 Loans to individuals for personal, household, and other personal expenditures.

Report credit card and related plans and other loans to individuals for household, family, and other personal expenditures. Include all loans to individuals for household, family, and other personal expenditures that are not secured by real estate, whether direct loans or purchased paper. Exclude loans secured by real estate (report in item 1) and loans to individuals for the purpose of purchasing or carrying securities (report in item 5).

Line Item 5 All other loans and lease financing receivables.

Report all other loans held by the subsidiary that are not properly included in items 1 through 4 above and all lease financing receivables. Report all outstanding receivable balances relating to direct financing and leveraged leases on property acquired by the subsidiary for leasing purposes. These balances should include the estimated residual value of leased property and must be net of unearned income. Include all lease financing receivables of states and political subdivisions in the U.S. Also include all loans to foreign governments and official institutions.

Line Item 6 Total loans and lease financing receivables.

Report the sum of items 1 through 5.

Line Item 7 Past due and nonaccrual loans and leases.

Report the subsidiary loans and lease financing receivables included in item 6 above that are past due 30 through 89 days and still accruing in item 7(a), past due 90 days or more and still accruing in item 7(b), in nonaccrual status in item 7(c), and loans restructured in troubled debt restructurings included in past due and nonaccrual loans in item 7(d). Report the full outstanding balances of the past due loans and lease financing receivables, not simply the delinquent payments.

Line Item 7(a) Loans and leases past due 30 through 89 days.

Report loans and lease financing receivables that are contractually past due 30 through 89 days as to principal or interest payments, and still accruing. Include loans restructured in troubled debt restructurings past due 30 through 89 days and still accruing.

Line Item 7(b) Loans and leases past due 90 days or more.

Report loans and lease financing receivables that are contractually past due 90 days or more as to principal or interest payments, and still accruing. Include loans restructured in troubled debt restructurings past due 90 days or more and still accruing.

Schedule BS-A

Line Item 7(c) Nonaccrual loans and leases.

Report loans and lease financing receivables accounted for on a nonaccrual status. Include loans restructured in troubled debt restructurings that are in nonaccrual status. For purposes of this report, report loans and leases as being in nonaccrual status if: (a) they are maintained on a cash basis because of deterioration in the financial position of the borrower, (b) payment in full of interest or principal is not expected, or (c) principal or interest has been in default for a period of 90 days or more unless the obligation is both well-secured and in the process of collection.

NOTE: Loans to individuals for household, family, and other personal expenditures and loans secured by 1–4 family residential properties on which principal or interest is due and unpaid for 90 days or more are not required to be reported as nonaccrual loans. Nevertheless, such loans should be subject to other alternative methods of evaluation to assure that the subsidiary’s net income is not materially overstated. To the extent that the subsidiary has elected to carry any loans in nonaccrual status on its books, such loans must be reported as nonaccrual in this item.

Line Item 7(d) Loans restructured in troubled debt restructurings included in items 7(a) through 7(c) above.

Report loans restructured in troubled debt restructurings that, under their modified terms, are past due 30 days or more and still accruing or are in nonaccrual status as of the report date. Such loans will have been included in items 7(a), 7(b), or 7(c) above. Loans restructured in troubled debt restructurings include those loans that have been restructured or renegotiated to provide a reduction of either interest or principal because of a deterioration in the financial position of the borrower. A loan extended or renewed at a stated interest rate equal to the current interest rate for new debt with similar risk is not considered restructured debt. For further information, see the FR Y-9C Glossary entry for “troubled debt restructurings.”

Include all loans to individuals for household, family, and other personal expenditures, and all loans secured by 1–4 family residential properties.

Memoranda

Line Item 1. Closed-end loans with negative amortization features secured by 1–4 family residential properties.

Report in the appropriate subitem the carrying amount of closed-end loans with negative amortization features secured by 1–4 family residential properties and, if certain criteria are met, the maximum remaining amount of negative amortization contractually permitted on these loans and the total amount of negative amortization included in the carrying amount of these loans. Negative amortization refers to a method in which a loan is structured so that the borrower’s minimum monthly (or other periodic) payment is contractually permitted to be less than the full amount of interest owed to the lender, with the unpaid interest added to the loan’s principal balance. The contractual terms of the loan provide that if the borrower allows the principal balance to rise to a pre-specified amount or maximum cap, the loan payments are then recast to a fully amortizing schedule. Negative amortization features may be applied to either adjustable-rate mortgages or fixed-rate mortgages, the latter commonly referred to as graduated payment mortgages (GPMs).

Line Item 1(a) Total carrying amount of closed-end loans with negative amortization features secured by 1–4 family residential properties (included in Schedule BS-A, item 1).

This item is to be completed by all nonbank subsidiaries.

Report the total carrying amount (before any loan loss allowances) of, i.e., the recorded investment in, closed-end loans secured by 1–4 family residential properties whose terms allow for negative amortization. The carrying amounts included in this item will also have been reported in Schedule BS-A, item 1.

Memoranda items 1(b) and 1(c) are to be completed by nonbank subsidiaries that had closed-end loans with negative amortization features secured by 1–4 family residential properties (included in Schedule BS-A, item 1) as of the previous December 31 report date, with a carrying amount (before any loan loss allowances) that exceeds 5 percent of total loans and leases, net of unearned income (as reported in Schedule BS-A, item 6) as of the previous December 31 report date.

Schedule BS-A

Line Item 1(b) Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1–4 family residential properties.

For all closed-end loans secured by 1–4 family residential properties whose terms allow for negative amortization (that were reported in Schedule BS-A, item 1), report the total maximum remaining amount of negative amortization permitted under the terms of the loan contract (i.e., the maximum loan principal balance permitted under the negative amortization cap less the principal balance of the loan as of the quarter-end report date).

Line Item 1(c) Total amount of negative amortization on closed-end loans secured by 1–4 family residential properties included in the carrying amount reported in Memorandum item 1(a) above.

For all closed-end loans secured by 1–4 family residential properties whose terms allow for negative amortization, report the total amount of negative amortization included in the carrying amount (i.e., the total amount of interest added to the original loan principal balance that has not yet been repaid) reported in Schedule BS-A, Memorandum item 1(a) above. Once a loan reaches its maximum principal balance, the amount of negative amortization included in the carrying amount should continue to be reported until the principal balance of the loan has been reduced through cash payments below the original principal balance of the loan.

LINE ITEM INSTRUCTIONS FOR

Memoranda Schedule BS-M

Exclude all balances with related institutions from this schedule.

Line Item 1 Balances due from depository institutions, gross.

Line Item 1(a) Balances due from depository institutions in the U.S. (including their IBFs).

Report demand, savings, and time balances on deposit with offices of commercial banks, industrial banks, stock savings banks, private banks, Edge and agreement corporations, mutual savings banks, savings and loan associations, and any other depository institutions domiciled in the fifty states of the United States, the District of Columbia, Puerto Rico, and U.S. territories and possessions. Include deposits with U.S.-chartered bank subsidiaries and U.S. branches and agencies of foreign banks and foreign official banking institutions in the United States. Report all such balances gross of any reciprocal balances.

Line Item 1(b) Balances due from banks in foreign countries.

Line Item 1(b)(1) Foreign branches of U.S. banks.

Report all balances on deposit with non-U.S. branches of U.S. banks; exclude balances with non-U.S. subsidiaries of U.S. banks and report in Item 1(b)(2). Also exclude balances with branches of non-U.S. banks that are domiciled in the United States and report in Item 1(a). Report all such balances gross of any reciprocal balances.

Line Item 1(b)(2) Other banks in foreign countries.

Report all balances on deposit with non-U.S. commercial banks, savings banks, discount houses, and similar non-U.S. domiciled institutions that accept deposits. Include balances with non-U.S. subsidiaries of U.S. banks. Report balances with non-U.S. branches of U.S. banks in item

1(b)(1). Report all such balances *gross* of any reciprocal balances.

Line Item 2 Balances due from foreign central banks.

Report all balances with foreign central banks. Refer to the FR Y-9C glossary for the definition of “foreign central bank.”

Line Item 3 Equity interest in nonrelated organizations.

Include the total value of all equity investments other than those in related organizations.

Report equity investments that represent 20 percent to 50 percent of the voting shares of an organization using the equity method of accounting.

Line Item 4 Assets held in trading accounts (excluding trading account balances with related organizations).

Organizations that *regularly* underwrite or deal in securities and other assets for resale or that acquire securities and other assets with the intent to resell in order to profit from short-term price movements shall report in items 4(a) through 4(g) the value of such assets. Consistently value assets held in trading accounts at fair value. Exclude the carrying value of any available-for-sale securities or of any loans or leases that are held for sale. Exclude all trading account balances with related organizations, and report in Schedule BS, Item 9, “Balances due from related organizations, gross” or Schedule BS, Item 16, “Balances due to related organizations, gross.” Refer to the FR Y-9C instructions and glossary for further information.

Schedule BS-M

Line Item 4(a) Securities of U.S. government and its agencies.

Report the fair value of securities issued by the U.S. government and all other U.S. government agencies and official institutions thereof.

Line Item 4(b) Securities of all foreign governments and official institutions.

Report the fair value of all debt securities issued by foreign governments (central, state, provincial and local), including their ministries, departments and agencies. Refer to the FR Y-9C glossary for the definition of “foreign government.” Exclude bankers’ acceptances accepted by the reporting organization and held in its trading account when the account party is a foreign government or official institution. Also exclude securities issued by nonbank corporations and enterprises which are foreign-government-owned.

Line Item 4(c) Equity securities.

Report the fair value of all equity securities held in the organization’s trading account. Exclude:

- (1) Equity securities that have been purchased for investment or acquired for debts previously contracted.
- (2) Equity securities that do not have readily determinable fair values (report such securities at historical cost in Schedule BS, item 7, “All other assets”).

Line Item 4(d) Corporate bonds, notes, and debentures.

Report the total value of debt securities issued by corporations.

Line Item 4(e) Revaluation gains on interest rate, foreign exchange rate, and other commodity and equity contracts.

Report the amount of revaluation gains (that is, assets) from the “marking to market” of interest rate, foreign exchange rate, and other off-balance-sheet commodity and equity contracts held for trading purposes (in compliance with ASC Subtopic 210-20, Balance Sheet – Offsetting (formerly FASB Interpretation No. 39, *Offsetting of Amounts Related to Certain Contracts*). Refer to the FR Y-9C instructions for further information.

Line Item 4(f) Loans.

Report the fair value of all loans held for trading reported in Schedule BS, item 4.

Line Item 4(f)(1) Loans that are past due 90 days or more.

Report in the appropriate subitem the total fair value and unpaid principal balance of all loans held for trading included in item 4(f) that are past due 90 days or more as of the report date.

Line Item 4(f)(1)(a) Fair value.

Report the total fair value of all loans held for trading included in item 4(f) that are past due 90 days or more as of the report date.

Line Item 4(f)(1)(b) Unpaid principal balance.

Report the total unpaid principal balance of all loans held for trading included in item 4(f) that are past due 90 days or more as of the report date.

Line Item 4(g) Other (including commercial paper).

Report the total value of all assets held in trading accounts that cannot be properly reported in items 4(a) through 4(f). Include certificates of deposit, bankers acceptances, and commercial paper.

Line Item 5 Other assets.

Line Item 5(a) Accrued interest receivable.

Report the amount of interest, commissions, and other income earned or accrued on loans, securities, and other earning assets and applicable to current or prior periods that has not yet been collected.

Line Item 5(b) Prepaid expenses.

Report the amount of all expenses prepaid and applicable as a charge against operations in future periods.

Line Item 5(c) Net deferred tax assets.

Report the cumulative tax effect of all deductible temporary differences, operating loss carryforwards, and tax credit carryforwards in accordance with GAAP. Report the net amount after offsetting deferred tax assets (net of valuation allowance) and net deferred tax liabilities measured at the report date for a particular tax jurisdiction if

Schedule BS-M

the net result is a debit balance. If the result for a particular tax jurisdiction is a net credit balance, report the amount in item 8(b), "Net deferred tax liabilities."

Line Item 5(d) Accounts receivable.

Report the amount owed to the subsidiary in the form of regular accounts or written promissory notes to be collected in the future arising from the sale of goods and services. Exclude notes with a maturity of more than one year.

Line Item 5(e) Intangible Assets.

Report the cost of intangible assets. Such intangibles may arise from the following:

- (1) Business combinations accounted for under the purchase method in accordance with ASC Topic 805, Business Combinations (formerly FASB Statement No. 141(R), *Business Combinations*), and
- (2) Acquisitions of portions or segments of another institution's business, such as branch offices, mortgage servicing portfolios, and credit card portfolios

Report the carrying value of mortgage servicing assets, i.e., the unamortized cost of acquiring contracts to service loans secured by real estate that have been securitized or are owned by another party, net of any related valuation allowances. Also report in this item the unamortized amount of other specifically identifiable intangible assets such as purchased credit card relationships (PCCRs), core deposit intangibles, favorable leasehold rights, and goodwill. Goodwill represents the excess of the cost of a company over the sum of the fair values of the tangible assets and identifiable intangible assets acquired less the fair value of liabilities assumed in a business combination accounted for as a purchase. Also, include servicing assets other than mortgage servicing assets.

Line Item 6 Deposits.

Report the total amount of deposits held by the subsidiary. Include both noninterest-bearing and interest-bearing

deposits. Such deposits may take the form of passbook accounts, certificates of deposit, NOW accounts, money market deposit accounts, time deposits, open accounts, or similar deposits. Include all deposits regardless of customer or form.

Exclude all deposits due to related institutions. Report such deposits in Schedule BS, item 16.

Line Item 7 Balances due to U.S. and foreign banks.

Report all deposit balances of all banks headquartered and chartered in the United States and foreign countries. Include both U.S. and non-U.S. branches of U.S. commercial banks (including IBFs established by U.S. commercial banks). Also include both U.S. and non-U.S. branches of foreign banks.

Line Item 8 Other liabilities.

Line Item 8(a) Expenses accrued and unpaid.

Report the amount of interest on deposits, interest on nondeposit liabilities, income taxes, and other expenses accrued through charges to expense during the current or prior periods, but not yet paid or credited to a deposit account.

Line Item 8(b) Net deferred tax liabilities.

Report the cumulative tax effect of all taxable temporary differences, in accordance with GAAP. Report the net amount after offsetting deferred tax assets and net deferred tax liabilities measured at the report date for a particular tax jurisdiction if the net result is a credit balance. If the result for a particular tax jurisdiction is a net debit balance, report the amount in item 5(c).

Line Item 8(c) Accounts payable.

Report the amount due from the reporting subsidiary for the purchase of goods and services.

Notes to the Financial Statements

This section has been provided to allow banking organizations the opportunity to provide additional explanations of the content of specific items in the subsidiary's financial statements. The reporting banking organization should include any transactions reported on the subsidiary's financial statements that it wishes to explain that are material in amount and cannot be disclosed separately in the existing line items.

Report in the space provided the financial statement and line item for which the banking organization is specifying additional information, a description of the transaction and, in the column provided, the dollar amount associated with the transaction being disclosed.

DRAFT
 Validity Checklist of the FR 2314
 (Effective as of December 31, 2014)

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

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20140930	99991231	Added	Page 1	Validity	8010	SROFFRNM	SUBSC490	Text for printed name of senior officer (SROFFRNM) must be provided.	subsc490 ne null
FR2314	20140930	99991231	Added	Page 1	Validity	8011	TITLEOFF	SUBSC491	Text for printed title of senior officer (TITLEOFF) must be provided.	subsc491 ne null
FR2314	20140930	99991231	Added	Page 1	Validity	8012	DATESIGN	SUBSJ196	Text for Date of Signature (DATESIGN) must be provided and entered in MM/DD/YYYY format.	subsj196 ne null
FR2314	20120630	99991231	Revised	Page 1	Validity	0120	NUMRPTS	SUBCJ444	Number of reports attested to under this signature must be greater than or equal to 1	subcj444 ge 1
FR2314	20120630	99991231	Revised	Page 1	Validity	0100	FC	SUBC6909	For December, the filing code must equal "1" for an annual reporter or "2" for a quarterly reporter.	if mm-q1 eq 12 then subc6909 eq 1 or subc6909 eq 2
FR2314	20120630	99991231	Revised	Page 1	Validity	0110	FC	SUBC6909	If quarter equals March, June, or September, then the filing code must equal null.	if (mm-q1 eq 03 or mm-q1 eq 06 or mm-q1 eq 09) then subc6909 eq null
FR2314	20080331	99991231	No Change	IS	Validity	0150	IS-1c	SUBI4107	Sum of IS-1a and IS-1b must equal IS-1c.	(subia028 + subia029) eq subI4107
FR2314	20080331	99991231	No Change	IS	Validity	0160	IS-2c	SUBI4073	Sum of IS-2a and IS-2b must equal IS-2c.	(subia030 + subia031) eq subI4073
FR2314	20080331	99991231	No Change	IS	Validity	0170	IS-3	SUBI4074	IS-1c minus IS-2c must equal IS-3.	(subI4107 - subI4073) eq subI4074
FR2314	20080331	99991231	No Change	IS	Validity	0175	IS-4	SUBI4230	IS-B4 must equal IS-4	subt4230 eq subI4230
FR2314	20080331	99991231	No Change	IS	Validity	0180	IS-5c	SUBI4079	Sum of IS-5a1 through IS-5a9, and IS-5b must equal IS-5c.	(subI4070 + subI4080 + subia220 + subib490 + subib491 + subib492 + subib493 + subib494 + subic887 + subib497 + subI4619) eq subI4079
FR2314	20080331	99991231	No Change	IS	Validity	0190	IS-7c	SUBI4093	Sum of IS-7a and IS-7b must equal IS-7c.	(subia034 + subic376) eq subI4093
FR2314	20080630	99991231	No Change	IS	Validity	0200	IS-8	SUBI3631	Sum of IS-3, IS-5c, and IS-6 minus IS-4 and IS-7c must equal IS-8.	((subI4074 + subI4079 + subI4091) - (subI4230 + subI4093)) eq subI3631
FR2314	20080331	99991231	No Change	IS	Validity	0210	IS-12	SUBI4340	Sum of IS-8, IS-10, and IS-11 minus IS-9 must equal IS-12.	(subI3631 + subI4320 + subI3147 - subI4302) eq subI4340
FR2314	20080331	99991231	No Change	IS	Validity	0230	IS-12	SUBI4340	IS-A2 must equal IS-12.	subt4340 eq subI4340
FR2314	20080331	99991231	No Change	IS-A	Validity	0240	IS-A6	SUBI3581	Sum of IS-A1, IS-A2, IS-A3, IS-A5 and IS-A6 minus IS-A4 must equal IS-A7.	(subI3217 + subt4340 + subia035 + subib511 + subI3581 - subI4598) eq subt3210
FR2314	20080331	99991231	No Change	IS-B	Validity	0260	IS-B5	SUBI4815	Sum of IS-B1, IS-B2, IS-B4 and IS-B5 minus IS-B3 must equal IS-B6.	(subI3124 + subI4605 + subt4230 + subI4815 - subic079) eq subt3123
FR2314	20080331	99991231	No Change	BS	Validity	0270	BS-3a	SUBC2122	BS-A6 must equal BS-3a.	subt2122 eq subc2122
FR2314	20080331	99991231	No Change	BS	Validity	0280	BS-3b	SUBC3123	IS-B6 must equal BS-3b.	subt3123 eq subc3123
FR2314	20080331	99991231	No Change	BS	Validity	0290	BS-3c	SUBC2125	Sum of BS-3a minus BS-3b must equal BS-3c.	(subc2122 - subc3123) eq subc2125
FR2314	20080331	99991231	No Change	BS	Validity	0300	BS-8	SUBCC377	Sum of BS-1 through BS-2b and BS-3c through BS-7 must equal BS-8.	(subc0010 + subc1754 + subc1773 + subc2125 + subc3545 + subc2145 + subc2150 + subc1724) eq subcc377
FR2314	20080331	99991231	No Change	BS	Validity	0310	BS-10	SUBC2170	Sum of BS-8 and BS-9 must equal BS-10.	(subcc377 + subcc378) eq subc2170
FR2314	20080331	99991231	No Change	BS	Validity	0320	BS-15	SUBCA012	Sum of BS-11 through BS-14 must equal BS-15.	(subc3548 + subcc379 + subc1729 + subc2750) eq subca012
FR2314	20080331	99991231	No Change	BS	Validity	0330	BS-17	SUBC2948	Sum of BS-15 and BS-16 must equal BS-17.	(subca012 + subcc380) eq subc2948
FR2314	20080331	99991231	No Change	BS	Validity	0340	BS-18g	SUBC3210	Sum of BS-18a through BS-18f should equal BS-18g	(subc3230 + subc3240 + subc3247 + subcb530 + subcf033 + subca130) eq subc3210
FR2314	20080331	99991231	No Change	BS	Validity	0350	BS-18g	SUBC3210	IS-A7 must equal BS-18g	subt3210 eq subc3210
FR2314	20080331	99991231	No Change	BS	Validity	0360	BS-19	SUBC3300	Sum BS-17 and BS-18g must equal BS-19.	(subc2948 + subc3210) eq subc3300
FR2314	20080331	99991231	No Change	BS	Validity	0370	BS-19	SUBC3300	BS-19 must equal BS-10.	subc3300 eq subc2170
FR2314	20141231	99991231	Revised	BS-A	Validity	0390	BS-A5	SUBCA017	Sum of BS-A1 through BS-A5 must equal BS-A6.	(subc1410 + subc3622 + subc3623 + subc1975 + subca017) eq subt2122

Quality (Q) and Intraseres Edit Tests for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20110331	99991231	Revised	IS	Intraseries	0551	IS-1a	SUBIA028	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-1a (current) should be greater than or equal to IS-1a (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subia028-q1 ge subia028-q2)
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-1a	SUBIA028	IS-1a should not be null and should not be negative.	subia028 ne null and subia028 ge 0
FR2314	20110331	99991231	Revised	IS	Intraseries	0552	IS-1b	SUBIA029	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-1b (current) should be greater than or equal to IS-1b (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subia029-q1 ge subia029-q2)
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-1b	SUBIA029	IS-1b should not be null and should not be negative.	subia029 ne null and subia029 ge 0
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-1c	SUBI4107	IS-1c should not be null and should not be negative.	subi4107 ne null and subia4107 ge 0
FR2314	20110331	99991231	Revised	IS	Intraseries	0553	IS-2a	SUBIA030	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-2a (current) should be greater than or equal to IS-2a (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subia030-q1 ge subia030-q2)
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-2a	SUBIA030	IS-2a should not be null and should not be negative.	subia030 ne null and subia030 ge 0
FR2314	20110331	99991231	Revised	IS	Intraseries	0554	IS-2b	SUBIA031	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-2b (current) should be greater than or equal to IS-2b (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subia031-q1 ge subia031-q2)
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-2b	SUBIA031	IS-2b should not be null and should not be negative.	subia031 ne null and subia031 ge 0
FR2314	20101231	99991231	Added	IS	Quality	9010	IS-2c	SUBI4073	IS-2c should not be null and should not be negative.	subi4073 ne null and subia4073 ge 0
FR2314	20101231	99991231	Added	IS	Quality	9030	IS-3	SUBI4074	IS-3 should not be null.	subi4074 ne null
FR2314	20080331	99991231	No Change	IS	Quality	0565	IS-4	SUBI4230	If IS-4 is not zero or null, then BS-3b should not be zero or null.	if subia4230 ne 0 or null, then subc3123 ne 0 or null
FR2314	20110331	99991231	Revised	IS	Intraseries	0555	IS-5a1	SUBI4070	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-5a1 (current) should be greater than or equal to IS-5a1 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subi4070-q1 ge subia4070-q2)

Quality (Q) and Intraseres MDRM Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20101231	99991231	Added	IS	Quality	9040	IS-5a1	SUBI4070	IS-5a1 should not be negative.	subi4070 ge 0 or subi4070 eq null
FR2314	20110331	99991231	Revised	IS	Intraseres	0556	IS-5a2	SUBI4080	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-5a2 (current) should be greater than or equal to IS-5a2 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subi4080-q1 ge subi4080-q2)
FR2314	20101231	99991231	Added	IS	Quality	9040	IS-5a2	SUBI4080	IS-5a2 should not be negative.	subi4080 ge 0 or subi4080 eq null
FR2314	20110331	99991231	Added	IS	Quality	0503	IS-5a3	SUBIA220	If BS-4 is not equal to zero or null or BS-11 is not equal to null or zero, then IS-5a3 should not equal zero.	if (subc3545 ne 0 and subc3545 ne null) or (subc3548 ne 0 and subc3548 ne null) then subia220 ne 0
FR2314	20110331	99991231	Added	IS	Quality	9050	IS-5a3	SUBIA220	IS-5a3 should not be null.	subia220 ne null
FR2314	20110331	99991231	Revised	IS	Intraseres	0557	IS-5a4	SUBIB490	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-5a4 (current) should be greater than or equal to IS-5a4 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subib490-q1 ge subib490-q2)
FR2314	20110331	99991231	Revised	IS	Intraseres	0558	IS-5a8	SUBIB494	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-5a8 (current) should be greater than or equal to IS-5a8 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subib494-q1 ge subib494-q2)
FR2314	20110331	99991231	Added	IS	Quality	9050	IS-5a9	SUBIC887	IS-5a9 should not be null.	subic887 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-5a10	SUBIB497	IS-5a10 should not be null.	subib497 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-5b	SUBI4619	IS-5b should not be null.	subi4619 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-5c	SUBI4079	IS-5c should not be null.	subi4079 ne null
FR2314	20080331	99991231	No Change	IS	Quality	0580	IS-6	SUBI4091	If IS-6 is not zero or null, then BS-2a or BS-2b should not be zero or null.	if subi4091 ne 0 or null, then subc1754 or subc1773 ne 0 or null
FR2314	20110331	99991231	Revised	IS	Intraseres	0559	IS-7a	SUBIA034	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-7a (current) should be greater than or equal to IS-7a (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subia034-q1 ge subia034-q2)
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-7a	SUBIA034	IS-7a should not be null.	subia034 ne null
FR2314	20110331	99991231	Revised	IS	Intraseres	0560	IS-7b	SUBIC376	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-7b (current) should be greater than or equal to IS-7b (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subic376-q1 ge subic376-q2)
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-7b	SUBIC376	IS-7b should not be null.	subic376 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-7c	SUBI4093	IS-7c should not be null.	subi4093 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-8	SUBI3631	IS-8 should not be null.	subi3631 ne null

Quality (Q) and Intraseres MDRM Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-9	SUBI4302	IS-9 should not be null.	subi4302 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-10	SUBI4320	IS-10 should not be null.	subi4320 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-11	SUBI3147	IS-11 should not be null.	subi3147 ne null
FR2314	20101231	99991231	Added	IS	Quality	9050	IS-12	SUBI4340	IS-12 should not be null.	subi4340 ne null
FR2314	20101231	99991231	Revised	IS	Quality	0585	IS-Mem1	SUBIF228	If the sum of BS-AMem1b and BS-AMem1c is greater than zero, then IS-Mem1 should not be null.	if (subcf231 + subcf232 gt 0) then subif228 ne null
FR2314	20101231	99991231	Added	IS	Quality	9060	IS-Mem1	SUBIF228	IS-Mem1 should not be negative.	subif228 ge 0 or subif228 eq null
FR2314	20110331	99991231	Revised	IS	Intraseres	0586	IS-Mem2	SUBIJ980	If quarter equals March, June or September and filing code equals null, or quarter equals December and filing code equals "2", and IS-Mem2 (previous) is not equal to null, then IS-Mem2 (current) should not equal null.	if (mm-q1 eq 03 and subc6909 eq null) or (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) and subij980-q2 ne null then subij980-q1 ne null
FR2314	20110331	99991231	Revised	IS	Intraseres	0587	IS-Mem2	SUBIJ980	If quarter equals March, June, or September and filing code equals null, or quarter equals December and filing code equals "2", and BS-Mem1a (current minus previous) is not equal to zero, then IS-Mem2 (current) should not equal null.	if (mm-q1 eq 03 and subc6909 eq null) or (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) and ((subcf819-q1 - subcf819-q2) ne 0) then subij980-q1 ne null
FR2314	20110331	99991231	Revised	IS	Quality	0588	IS-Mem2	SUBIJ980	If BS-Mem1a is not equal to null, then IS-Mem2 should not equal null.	if subcf819 ne null then subij980 ne null
FR2314	20110331	99991231	Revised	IS	Quality	0589	IS-Mem2	SUBIJ980	If BS-Mem1b is not equal to null, then IS-Mem2 should not equal null.	if subcf820 ne null then subij980 ne null
FR2314	20110331	99991231	Revised	IS	Intraseres	0590	IS-Mem2	SUBIJ980	If quarter equals March, June, or September and filing code equals null, or quarter equals December and filing code equals "2", and BS-Mem1b (current minus previous) is not equal to zero, then IS-Mem2 (current) should not equal null.	if (mm-q1 eq 03 and subc6909 eq null) or (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) and ((subcf820-q1 - subcf820-q2) ne 0) then subij980-q1 ne null
FR2314	20110331	99991231	Revised	IS	Quality	0591	IS-Mem2	SUBIJ980	If IS-Mem2 is not equal to null or zero, then the sum of IS-5a3, IS-5a6, IS-5a10, and IS-5b should not equal zero.	if (subij980 ne null and subij980 ne 0) then ((subia220 + subib492 + subib497 + subia4619) ne 0)
FR2314	20101231	99991231	Revised	IS-A	Intraseres	0600	IS-A1	SUBI3217	If BS-18g (previous December) is not equal to null, then IS-A1 (current) should equal BS-18g (previous December).	if (mm-q1 eq 03 and subc3210-q2 ne null) then (subi3217-q1 eq subc3210-q2) or if (mm-q1 eq 06 and subc3210-q3 ne null) then (subi3217-q1 eq subc3210-q3) or if (mm-q1 eq 09 and subc3210-q4 ne null) then (subi3217-q1 eq subc3210-q4) or if (mm-q1 eq 12 and subc3210-q5 ne null) then (subi3217-q1 eq subc3210-q5)
FR2314	20101231	99991231	Revised	IS-A	Quality	0600	IS-A1	SUBI3217	For December, if filing code (current) equals "1" (annual filers) and BS-18g (previous December) is not equal to null, then IS-A1 (current) should equal BS-18g (previous December).	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and (subc3210-q5 ne null)) then (subc3217-q1 eq subc3210-q5)
FR2314	20101231	99991231	Added	IS-A	Quality	9070	IS-A1	SUBI3217	IS-A1 should not be null.	subi3217 ne null
FR2314	20101231	99991231	Added	IS-A	Quality	9070	IS-A2	SUBT4340	IS-A2 should not be null.	subt4340 ne null
FR2314	20080331	99991231	No Change	IS-A	Quality	0610	IS-A3	SUBIA035	IS-A3 should be less than or equal to the sum of BS-18a and BS-18b.	subia035 le (subc3230 + subc3240)
FR2314	20101231	99991231	Added	IS-A	Quality	9070	IS-A3	SUBIA035	IS-A3 should not be null.	subia035 ne null

Quality (Q) and Intraseries Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20080331	99991231	No Change	IS-A	Quality	0620	IS-A4	SUBI4598	If IS-A4 is greater than zero, then BS-18a should be greater than zero.	if subi4598 gt 0, then subi3230 gt 0
FR2314	20110331	99991231	Revised	IS-A	Intraseries	0640	IS-A4	SUBI4598	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-A4 (current) should be greater than or equal to IS-A4 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subi4598-q1 ge subi4598-q2)
FR2314	20101231	99991231	Added	IS-A	Quality	9080	IS-A4	SUBI4598	IS-A4 should not be null and should not be negative.	subi4598 ne null and subi4598 ge 0
FR2314	20101231	99991231	Added	IS-A	Quality	9090	IS-A5	SUBIB511	IS-A5 should not be null.	subib511 ne null
FR2314	20101231	99991231	Added	IS-A	Quality	9090	IS-A6	SUBI3581	IS-A6 should not be null.	subi3581 ne null
FR2314	20101231	99991231	Added	IS-A	Quality	9090	IS-A7	SUBT3210	IS-A7 should not be null.	subt3210 ne null
FR2314	20101231	99991231	Added	IS-B	Intraseries	0670	IS-B1	SUBI3124	If BS-3b (previous December) is greater than or equal to zero, then IS-B1 (current) should equal BS-3b (previous December).	if (mm-q1 eq 03 and subc3123-q2 ge 0) then (subi3124-q1 eq subc3123-q2) or if (mm-q1 eq 06 and subc3123-q3 ge 0) then (subi3124-q1 eq subc3123-q3) or if (mm-q1 eq 09 and subc3123-q4 ge 0) then (subi3124-q1 eq subc3123-q4) or if (mm-q1 eq 12 and subc3123-q5 ge 0) then (subi3124-q1 eq subc3123-q5)
FR2314	20101231	99991231	Added	IS-B	Quality	0670	IS-B1	SUBI3124	For December, if filing code (current) equals "1" (annual filers) and BS-3b (previous December) is greater than or equal to zero, then IS-B1 (current) should equal BS-3b (previous December).	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and (subc3123-q5 ge 0)) then (subi3124-q1 eq subc3123-q5)
FR2314	20101231	99991231	Added	IS-B	Quality	9100	IS-B1	SUBI3124	IS-B1 should not be negative.	subi3124 ge 0 or subi3124 eq null
FR2314	20110331	99991231	Revised	IS-B	Intraseries	0681	IS-B2	SUBI4605	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-B2 (current) should be greater than or equal to IS-B2 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subi4605-q1 ge subi4605-q2)
FR2314	20080331	99991231	No Change	IS-B	Quality	0690	IS-B2	SUBI4605	IS-B2 should be less than or equal to BS-3a.	subi4605 le subc2122
FR2314	20101231	99991231	Added	IS-B	Quality	9100	IS-B2	SUBI4605	IS-B2 should not be negative.	subi4605 ge 0 or subi4605 eq null
FR2314	20110331	99991231	Revised	IS-B	Intraseries	0682	IS-B3	SUBIC079	If quarter equals June or September and filing code equals null, or quarter equals December and filing code equals "2", then IS-B3 (current) should be greater than or equal to IS-B3 (previous).	if (mm-q1 eq 06 and subc6909 eq null) or (mm-q1 eq 09 and subc6909 eq null) or (mm-q1 eq 12 and subc6909 eq 2) then (subic079-q1 ge subic079-q2)
FR2314	20080331	99991231	No Change	IS-B	Quality	0700	IS-B3	SUBIC079	IS-B3 should be less than or equal to BS-3a.	subic079 le subc2122
FR2314	20101231	99991231	Added	IS-B	Quality	9100	IS-B3	SUBIC079	IS-B3 should not be negative.	subic079 ge 0 or subic079 eq null
FR2314	20101231	99991231	Added	IS-B	Quality	9100	IS-B6	SUBT3123	IS-B6 should not be negative.	subt3123 ge 0 or subt3123 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-1	SUBC0010	BS-1 should not be negative.	subc0010 ge 0 or subc0010 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-2a	SUBC1754	BS-2a should not be negative.	subc1754 ge 0 or subc1754 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-2b	SUBC1773	BS-2b should not be negative.	subc1773 ge 0 or subc1773 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-3a	SUBC2122	BS-3a should not be negative.	subc2122 ge 0 or subc2122 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-3b	SUBC3123	BS-3b should not be negative.	subc3123 ge 0 or subc3123 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-3c	SUBC2125	BS-3c should not be negative.	subc2125 ge 0 or subc2125 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-4	SUBC3545	BS-4 should not be negative.	subc3545 ge 0 or subc3545 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-5	SUBC2145	BS-5 should not be negative.	subc2145 ge 0 or subc2145 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-6	SUBC2150	BS-6 should not be negative.	subc2150 ge 0 or subc2150 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-7	SUBC1724	BS-7 should not be negative.	subc1724 ge 0 or subc1724 eq null

Quality (Q) and Intraseried Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-8	SUBCC377	BS-8 should not be negative.	subcc377 ge 0 or subcc377 eq null
FR2314	20101231	99991231	Added	BS	Quality	9100	BS-9	SUBCC378	BS-9 should not be negative.	subcc378 ge 0 or subcc378 eq null
FR2314	20131231	99991231	Revised	BS	Quality	0720	BS-10	SUBC2170	For December if the filing code equals 1 (annual filers), then BS-10 should be greater than or equal to \$500 million and less than \$1 billion.	if mm-q1 eq 12 and subc6909 eq 1, then subc2170 ge 500000 and subc2170 lt 1000000
FR2314	20101231	99991231	Added	BS	Quality	9120	BS-10	SUBC2170	BS-10 should not be null and should not be negative.	subc2170 ne null and subc2170 ge 0
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-11	SUBC3548	BS-11 should not be negative.	subc3548 ge 0 or subc3548 eq null
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-12	SUBCC379	BS-12 should not be negative.	subcc379 ge 0 or subcc379 eq null
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-13	SUBC1729	BS-13 should not be negative.	subc1729 ge 0 or subc1729 eq null
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-14	SUBC2750	BS-14 should not be negative.	subc2750 ge 0 or subc2750 eq null
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-15	SUBCA012	BS-15 should not be negative.	subca012 ge 0 or subca012 eq null
FR2314	20101231	99991231	Added	BS	Quality	9130	BS-16	SUBCC380	BS-16 should not be negative.	subcc380 ge 0 or subcc380 eq null
FR2314	20101231	99991231	Added	BS	Quality	9140	BS-17	SUBC2948	BS-17 should not be null and should not be negative.	subc2948 ne null and subc2948 ge 0
FR2314	20101231	99991231	Added	BS	Quality	9150	BS-18a	SUBC3230	BS-18a should not be negative.	subc3230 ge 0 or subc3230 eq null
FR2314	20101231	99991231	Added	BS	Quality	9150	BS-18b	SUBC3240	BS-18b should not be negative.	subc3240 ge 0 or subc3240 eq null
FR2314	20080630	99991231	No Change	BS	Quality	0725	BS-18e	SUBCF033	If the sum of BS-18a, BS-18b and BS-18f is equal to zero or null, then BS-18e should not equal null.	if (subc3230 + subc3240 + subca130) eq 0 or null then subcf033 ne null
FR2314	20080630	99991231	No Change	BS	Quality	0726	BS-18e	SUBCF033	If the sum of BS-18a, BS-18b and BS-18f is not equal to zero or null, then BS-18e should equal null.	if (subc3230 + subc3240 + subca130) ne 0 or null then subcf033 eq null
FR2314	20101231	99991231	Added	BS	Quality	9160	BS-19	SUBC3300	BS-19 should not be null and should not be negative.	subc3300 ne null and subc3300 ge 0
FR2314	20080331	99991231	No Change	BS	Intraseried	0734	BS-20	SUBC3817	If BS-20 (previous) is greater than \$100 million, then BS-20 (current) should be greater than zero.	if subc3817-q2 gt 100000 then subc3817-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0734	BS-20	SUBC3817	For December, if filing code (current) equals "1" (annual filers) and BS-20 (previous December) is greater than \$100 million, then BS-20 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3817-q5 gt 100000 then subc3817-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-20	SUBC3817	BS-20 should not be negative.	subc3817 ge 0 or subc3817 eq null
FR2314	20080331	99991231	No Change	BS	Intraseried	0735	BS-21	SUBCA013	If BS-21 (previous) is greater than \$100 million, then BS-21 (current) should be greater than zero.	if subca013-q2 gt 100000 then subca013-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0735	BS-21	SUBCA013	For December, if filing code (current) equals "1" (annual filers) and BS-21 (previous December) is greater than \$100 million, then BS-21 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca013-q5 gt 100000 then subca013-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-21	SUBCA013	BS-21 should not be negative.	subca013 ge 0 or subca013 eq null
FR2314	20080331	99991231	No Change	BS	Intraseried	0736	BS-22	SUBCA014	If BS-22 (previous) is greater than \$100 million, then BS-22 (current) should be greater than zero.	if subca014-q2 gt 100000 then subca014-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0736	BS-22	SUBCA014	For December, if filing code (current) equals "1" (annual filers) and BS-22 (previous December) is greater than \$100 million, then BS-22 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca014-q5 gt 100000 then subca014-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-22	SUBCA014	BS-22 should not be negative.	subca014 ge 0 or subca014 eq null
FR2314	20080331	99991231	No Change	BS	Intraseried	0737	BS-23	SUBC3411	If BS-23 (previous) is greater than \$100 million, then BS-23 (current) should be greater than zero.	if subc3411-q2 gt 100000 then subc3411-q1 gt 0

Quality (Q) and Intraseresies Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20091231	99991231	Added	BS	Quality	0737	BS-23	SUBC3411	For December, if filing code (current) equals "1" (annual filers) and BS-23 (previous December) is greater than \$100 million, then BS-23 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3411-q5 gt 100000 then subc3411-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-23	SUBC3411	BS-23 should not be negative.	subc3411 ge 0 or subc3411 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0738	BS-24	SUBC3415	If BS-24 (previous) is greater than \$100 million, then BS-24 (current) should be greater than zero.	if subc3415-q2 gt 100000 then subc3415-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0738	BS-24	SUBC3415	For December, if filing code (current) equals "1" (annual filers) and BS-24 (previous December) is greater than \$100 million, then BS-24 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3415-q5 gt 100000 then subc3415-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-24	SUBC3415	BS-24 should not be negative.	subc3415 ge 0 or subc3415 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0739	BS-25	SUBCA015	If BS-25 (previous) is greater than \$100 million, then BS-25 (current) should be greater than zero.	if subca015-q2 gt 100000 then subca015-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0739	BS-25	SUBCA015	For December, if filing code (current) equals "1" (annual filers) and BS-25 (previous December) is greater than \$100 million, then BS-25 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca015-q5 gt 100000 then subca015-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-25	SUBCA015	BS-25 should not be negative.	subca015 ge 0 or subca015 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0740	BS-26a	SUBCA098	If BS-26a (previous) is greater than \$100 million, then BS-26a (current) should be greater than zero.	if subca098-q2 gt 100000 then subca098-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0740	BS-26a	SUBCA098	For December, if filing code (current) equals "1" (annual filers) and BS-26a (previous December) is greater than \$100 million, then BS-26a (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca098-q5 gt 100000 then subca098-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-26a	SUBCA098	BS-26a should not be negative.	subca098 ge 0 or subca098 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0741	BS-26b	SUBCA099	If BS-26b (previous) is greater than \$100 million, then BS-26b (current) should be greater than zero.	if subca099-q2 gt 100000 then subca099-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0741	BS-26b	SUBCA099	For December, if filing code (current) equals "1" (annual filers) and BS-26b (previous December) is greater than \$100 million, then BS-26b (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca099-q5 gt 100000 then subca099-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-26b	SUBCA099	BS-26b should not be negative.	subca099 ge 0 or subca099 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0742	BS-27	SUBC3450	If BS-27 (previous) is greater than \$100 million, then BS-27 (current) should be greater than zero.	if subc3450-q2 gt 100000 then subc3450-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0742	BS-27	SUBC3450	For December, if filing code (current) equals "1" (annual filers) and BS-27 (previous December) is greater than \$100 million, then BS-27 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3450-q5 gt 100000 then subc3450-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-27	SUBC3450	BS-27 should not be negative.	subc3450 ge 0 or subc3450 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0743	BS-28	SUBC3826	If BS-28 (previous) is greater than \$100 million, then BS-28 (current) should be greater than zero.	if subc3826-q2 gt 100000 then subc3826-q1 gt 0

Quality (Q) and Intraseries Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20091231	99991231	Added	BS	Quality	0743	BS-28	SUBC3826	For December, if filing code (current) equals "1" (annual filers) and BS-28 (previous December) is greater than \$100 million, then BS-28 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3826-q5 gt 100000 then subc3826-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-28	SUBC3826	BS-28 should not be negative.	subc3826 ge 0 or subc3826 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0744	BS-29	SUBC3829	If BS-29 (previous) is greater than \$100 million, then BS-29 (current) should be greater than zero.	if subc3829-q2 gt 100000 then subc3829-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0744	BS-29	SUBC3829	For December, if filing code (current) equals "1" (annual filers) and BS-29 (previous December) is greater than \$100 million, then BS-29 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subc3829-q5 gt 100000 then subc3829-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-29	SUBC3829	BS-29 should not be negative.	subc3829 ge 0 or subc3829 eq null
FR2314	20080331	99991231	No Change	BS	Intraseries	0745	BS-30	SUBCA100	If BS-30 (previous) is greater than \$100 million, then BS-30 (current) should be greater than zero.	if subca100-q2 gt 100000 then subca100-q1 gt 0
FR2314	20091231	99991231	Added	BS	Quality	0745	BS-30	SUBCA100	For December, if filing code (current) equals "1" (annual filers) and BS-30 (previous December) is greater than \$100 million, then BS-30 (current) should be greater than zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and subca100-q5 gt 100000 then subca100-q1 gt 0
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-30	SUBCA100	BS-30 should not be negative.	subca100 ge 0 or subca100 eq null
FR2314	20101231	99991231	Revised	BS	Intraseries	0746	BS-Mem1a	SUBCF819	If BS-Mem1a (previous) is not equal to null or zero, then BS-Mem1a (current) should not equal null or zero.	if (subcf819-q2 ne null and subcf819-q2 ne 0) then (subcf819-q1 ne null and subcf819-q1 ne 0)
FR2314	20101231	99991231	Revised	BS	Quality	0746	BS-Mem1a	SUBCF819	For December, if filing code (current) equals "1" (annual filers) and BS-Mem1a (previous December) is not equal to null or zero, then BS-Mem1a (current) should not equal null or zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and (subcf819-q5 ne null and subcf819-q5 ne 0)) then (subcf819-q1 ne null and subcf819-q1 ne 0)
FR2314	20110331	99991231	Revised	BS	Quality	0747	BS-Mem1a	SUBCF819	If IS-Mem2 is not equal to null, then BS-Mem1a should not equal null.	if subij980 ne null then subcf819 ne null
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-Mem1a	SUBCF819	BS-Mem1a should not be negative.	subcf819 ge 0 or subcf819 eq null
FR2314	20110331	99991231	Added	BS	Quality	0502	BS-Mem1b	SUBCF820	If IS-Mem2 is not equal to null, then BS-Mem1b should not equal null.	if subij980 ne null then subcf820 ne null
FR2314	20101231	99991231	Revised	BS	Intraseries	0748	BS-Mem1b	SUBCF820	If BS-Mem1b (previous) is not equal to null or zero, then BS-Mem1b (current) should not equal null or zero.	if (subcf820-q2 ne null and subcf820-q2 ne 0 then (subcf820-q1 ne null and subcf820-q1 ne 0)
FR2314	20101231	99991231	Revised	BS	Quality	0748	BS-Mem1b	SUBCF820	For December, if filing code (current) equals "1" (annual filers) and BS-Mem1b (previous December) is not equal to null or zero, then BS-Mem1b (current) should not equal null or zero.	if ((mm-q1 eq 12) and (subc6909-q1 eq 1) and (subcf820-q5 ne null and subcf820-q5 ne 0)) then (subcf820-q1 ne null and subcf820-q1 ne 0)
FR2314	20101231	99991231	Added	BS	Quality	9170	BS-Mem1b	SUBCF820	BS-Mem1b should not be negative.	subcf820 ge 0 or subcf820 eq null
FR2314	20110331	99991231	Added	BS-A	Quality	0500	BS-A1	SUBC1410	If the sum of BS-AMem1b and BS-AMem1c is greater than zero, then BS-A1 should be greater than zero.	if (subcf231 + subcf232) gt 0 then subc1410 gt 0
FR2314	20110331	99991231	Added	BS-A	Quality	0501	BS-A1	SUBC1410	If BS-AMem1a is greater than zero, then BS-A1 should be greater than zero.	if subcf230 gt 0 then subc1410 gt 0
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A1	SUBC1410	BS-A1 should not be negative.	subc1410 ge 0 or subc1410 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A2	SUBC3622	BS-A2 should not be negative.	subc3622 ge 0 or subc3622 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A3	SUBC3623	BS-A3 should not be negative.	subc3623 ge 0 or subc3623 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A4	SUBC1975	BS-A4 should not be negative.	subc1975 ge 0 or subc1975 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A5	SUBCA017	BS-A5 should not be negative.	subca017 ge 0 or subca017 eq null

Quality (Q) and Error (E) Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A6	SUBT2122	BS-A6 should not be negative.	subt2122 ge 0 or subt2122 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A7a	SUBC1406	BS-A7a should not be negative.	subc1406 ge 0 or subc1406 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A7b	SUBC1407	BS-A7b should not be negative.	subc1407 ge 0 or subc1407 eq null
FR2314	20110331	99991231	Revised	BS-A	Quality	0755	BS-A7c	SUBC1403	If the sum of BS-A7a, BS-A7b, and BS-A7c is not equal to zero or null, then the sum of BS-A7a, BS-A7b, and BS-A7c should be less than or equal to BS-3a.	if ((subc1406 + subc1407 + subc1403) ne 0 or (subc1406 + subc1407 + subc1403)) ne null then (subc1406 + subc1407 + subc1403) le subc2122
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-A7c	SUBC1403	BS-A7c should not be negative.	subc1403 ge 0 or subc1403 eq null
FR2314	20110331	99991231	Revised	BS-A	Quality	9170	BS-A7d	SUBC979	BS-A7d should not be negative.	subcj979 ge 0 or subcj979 eq null
FR2314	20101231	99991231	Revised	BS-A	Quality	0756	BS-AMem1a	SUBCF230	If BS-AMem1a is greater than 5% of BS-3a, then BS-AMem1b and BS-AMem1c should not be null and the sum of BS-AMem1b and BS-AMem1c should be greater than zero.	if subcf230 gt (0.05 * subc2122) then ((subcf231 ne null and subcf232 ne null) and (subcf231 + subcf232 gt 0))
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-AMem1a	SUBCF230	BS-AMem1a should not be negative.	subcf230 ge 0 or subcf230 eq null
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-AMem1b	SUBCF231	BS-AMem1b should not be negative.	subcf231 ge 0 or subcf231 eq null
FR2314	20101231	99991231	Revised	BS-A	Quality	0757	BS-AMem1c	SUBCF232	BS-AMem1c should be less than or equal to 50% of BS-AMem1a.	subcf232 le (0.50 * subcf230)
FR2314	20101231	99991231	Added	BS-A	Quality	9170	BS-AMem1c	SUBCF232	BS-AMem1c should not be negative.	subcf232 ge 0 or subcf232 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M1a	SUBC0069	BS-M1a should not be negative.	subc0069 ge 0 or subc0069 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M1b1	SUBC0073	BS-M1b1 should not be negative.	subc0073 ge 0 or subc0073 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M1b2	SUBC0074	BS-M1b2 should not be negative.	subc0074 ge 0 or subc0074 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M2	SUBC0091	BS-M2 should not be negative.	subc0091 ge 0 or subc0091 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M3	SUBC0399	BS-M3 should not be negative.	subc0399 ge 0 or subc0399 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4a	SUBC5468	BS-M4a should not be negative.	subc5468 ge 0 or subc5468 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4b	SUBC5469	BS-M4b should not be negative.	subc5469 ge 0 or subc5469 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4c	SUBC5470	BS-M4c should not be negative.	subc5470 ge 0 or subc5470 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4d	SUBC5477	BS-M4d should not be negative.	subc5477 ge 0 or subc5477 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4e	SUBCA210	BS-M4e should not be negative.	subca210 ge 0 or subca210 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4f	SUBCG208	BS-M4f should not be negative.	subcg208 ge 0 or subcg208 eq null
FR2314	20090331	99991231	Revised	BS-M	Quality	0769	BS-M4f1a	SUBCF639	If BS-M4f1a is not equal to null or zero, then BS-M4f and BS-M4f1b should be greater than zero.	if (subcf639 ne null and subcf639 ne 0) then (subcg208 gt 0) and (subcf640 gt 0)
FR2314	20090331	99991231	Added	BS-M	Quality	0771	BS-M4f1a	SUBCF639	BS-M4f1a should be less than or equal to BS-M4f.	subcf639 le subcg208
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4f1a	SUBCF639	BS-M4f1a should not be negative.	subcf639 ge 0 or subcf639 eq null
FR2314	20090331	99991231	Revised	BS-M	Quality	0770	BS-M4f1b	SUBCF640	If BS-M4f1b is not equal to null or zero, then BS-M4f and BS-M4f1a should be greater than zero.	if (subcf640 ne null and subcf640 ne 0) then (subcg208 gt 0) and (subcf639 gt 0)
FR2314	20101231	99991231	Added	BS-M	Quality	0773	BS-M4f1b	SUBCF640	BS-M4f1b should be greater than or equal to BS-M4f1a	subcf640 ge subcf639
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4f1b	SUBCF640	BS-M4f1b should not be negative.	subcf640 ge 0 or subcf640 eq null
FR2314	20090331	99991231	Added	BS-M	Quality	0768	BS-M4g	SUBC5478	The sum of BS-M4a, BS-M4b, BS-M4c, BS-M4d, BS-M4e, BS-M4f, and BS-M4g should be less than or equal to BS-4.	(subc5468 + subc5469 + subc5470 + subc5477 + subca210 + subcg208 + subc5478) le subc3545
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M4g	SUBC5478	BS-M4g should not be negative.	subc5478 ge 0 or subc5478 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M5a	SUBCB556	BS-M5a should not be negative.	subcb556 ge 0 or subcb556 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M5b	SUBCA022	BS-M5b should not be negative.	subca022 ge 0 or subca022 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M5c	SUBCA023	BS-M5c should not be negative.	subca023 ge 0 or subca023 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M5d	SUBCA024	BS-M5d should not be negative.	subca024 ge 0 or subca024 eq null
FR2314	20080331	99991231	No Change	BS-M	Quality	0775	BS-M5e	SUBC2143	The sum of BS-M5a through BS-M5e should be less than or equal to BS-7.	(subcb556 + subca022 + subca023 + subca024 + subc2143) le subc1724
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M5e	SUBC2143	BS-M5e should not be negative.	subc2143 ge 0 or subc2143 eq null

Quality (Q) and MDRM Edits for the FR 2314
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M6	SUBC2200	BS-M6 should not be negative.	subc2200 ge 0 or subc2200 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M7	SUBCC381	BS-M7 should not be negative.	subcc381 ge 0 or subcc381 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M8a	SUBCA025	BS-M8a should not be negative.	subca025 ge 0 or subca025 eq null
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M8b	SUBCA026	BS-M8b should not be negative.	subca026 ge 0 or subca026 eq null
FR2314	20080331	99991231	No Change	BS-M	Quality	0800	BS-M8c	SUBCA027	The sum of BS-M8a through BS-M8c should be less than or equal to BS-14.	(subca025 + subca026 + subca027) le subc2750
FR2314	20101231	99991231	Added	BS-M	Quality	9170	BS-M8c	SUBCA027	BS-M8c should not be negative.	subca027 ge 0 or subca027 eq null

DRAFT
 Validity Edit Example FR 2314S
 (Effective as of December 31, 2014)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314S	20141231	99991231	Added	Page 1	Validity	8010	SROFFRNM	SUBSC490	Text for printed name of senior officer (SROFFRNM) must be provided.	subsc490 ne null
FR2314S	20141231	99991231	Added	Page 1	Validity	8011	TITLEOFF	SUBSC491	Text for printed title of senior officer (TITLEOFF) must be provided.	subsc491 ne null
FR2314S	20141231	99991231	Added	Page 1	Validity	8012	DATESIGN	SUBSJ196	Text for Date of Signature (DATESIGN) must be provided and entered in MM/DD/CCYY format.	subsj196 ne null
FR2314S	20121231	99991231	Revised	Page 1	Validity	0120	NUMRPTS	SUBCJ444	Number of reports attested to under this signature must be greater than or equal to 1.	subcj444 ge 1
FR2314S	20081231	99991231	No Change	FS	Validity	0100	FS-5	SUBIF822	FS-5 must equal "1" (yes) or "0" (no).	subif822 eq 1 or subif822 eq 0

Quality Control Form FR 2314S
DRAFT
 (Effective as of December 31, 2013)

Series	Effective Start Date	Effective End Date	Edit Change	Schedule	Edit Type	Edit Number	Target Item	MDRM Number	Edit Test	Alg Edit Test
FR2314S	20101231	99991231	Added	FS	Quality	9000	FS-1	SUBI4340	FS-1 should not be null.	subi4340 ne null
FR2314S	20131231	99991231	Revised	FS	Quality	0900	FS-2	SUBC2170	FS-2 should be greater than or equal to \$250 and less than \$500 million.	subc2170 ge 250000 and subc2170 lt 500000
FR2314S	20101231	99991231	Revised	FS	Quality	0920	FS-2	SUBC2170	FS-1 should be less than FS-2.	subi4340 lt subc2170
FR2314S	20101231	99991231	Revised	FS	Quality	0940	FS-3	SUBC3210	FS-3 should be less than or equal to FS-2.	subc3210 le subc2170
FR2314S	20101231	99991231	Added	FS	Quality	9000	FS-3	SUBC3210	FS-3 should not be null.	subc3210 ne null
FR2314S	20101231	99991231	Revised	FS	Quality	0960	FS-4	SUBC2013	If FS-4 is not equal to null then FS-4 should be greater than or equal to 0 and less than \$5 billion.	if subc2013 ne null then subc2013 ge 0 and subc2013 lt 5000000