

**Draft Revisions to the Call Report Instructions  
for Proposed Burden-Reducing Revisions to  
the FFIEC 031 and FFIEC 041 Call Reports  
Proposed to Take Effect June 30, 2018**

**These draft instructions reflect the proposed burden-reducing revisions to the FFIEC 031 and FFIEC 041 Call Reports that would take effect June 30, 2018, as described in the federal banking agencies' initial Paperwork Reduction Act Federal Register notice for this proposal, which was published November 8, 2017.**

**The Federal Register notice and the redlined draft reporting forms for these proposed Call Report revisions are available at <https://www.ffiec.gov/forms031.htm> and <https://www.ffiec.gov/forms041.htm>.**

**Draft as of November 21, 2017**

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# Draft Revisions to the Call Report Instructions for Proposed Burden-Reducing Revisions to the FFIEC 031 and FFIEC 041 Call Reports Proposed to Take Effect June 30, 2018

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NOTE: These draft instructions reflect the proposed burden-reducing revisions to the FFIEC 031 and FFIEC 041 Call Reports that would take effect June 30, 2018, as described in the federal banking agencies' initial Paperwork Reduction Act Federal Register notice for this proposal, which was published November 8, 2017. The Federal Register notice and the redlined draft reporting forms for these proposed Call Report revisions are available at <https://www.ffiec.gov/forms031.htm> and <https://www.ffiec.gov/forms041.htm>.

Except as noted in the following sentence, these draft instructions do not include the draft instructions for the proposed revisions to the FFIEC 031 and FFIEC 041 Call Reports that would take effect March 31, 2018, as described in the federal banking agencies' initial Paperwork Reduction Act Federal Register notice for this proposal, which was published June 27, 2017. Pages RC-H-4, RC-N-17, and RC-N-18 of these draft instructions include draft instructions, shown in blue font, for certain Call Report revisions proposed in the agencies' June 27, 2017, Federal Register notice for which the instructions are located on these three pages. The draft instructions for all of the proposed revisions to the FFIEC 031 and FFIEC 041 Call Reports published June 27, 2017, are available at [https://www.ffiec.gov/pdf/FFIEC\\_forms/FFIEC031\\_FFIEC041\\_20170811\\_i\\_draft.pdf](https://www.ffiec.gov/pdf/FFIEC_forms/FFIEC031_FFIEC041_20170811_i_draft.pdf).

Questions concerning these draft instructions may be submitted to the FFIEC by going to <https://www.ffiec.gov/contact/default.aspx>, clicking on "Reporting Forms" under the "Reports" caption on the Web page, and completing the Feedback Form.

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**Item No.    Caption and Instructions**

**1.a    Cash items in process of collection and unposted debits.** Report (on the FFIEC 031, in column B) the total amount outstanding (at domestic offices) of cash items in process of collection and unposted debits that are immediately payable upon presentation in the United States.

**1.b    Currency and coin.** Report (on the FFIEC 031, in column B) all currency and coin owned and held (in domestic offices) by the reporting bank.

**2    Balances due from depository institutions in the U.S.** ~~Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from depository institutions in the U.S. On the FFIEC 031, report this item as a single total for the domestic offices of the bank in column B, but with a breakdown between balances due from U.S. branches and agencies of foreign banks, including their IBFs, (Schedule RC-A, item 2.a) and balances due from other commercial banks in the U.S. and other depository institutions in the U.S., including their IBFs, (Schedule RC-A, item 2.b) for the fully consolidated bank in column A. On the FFIEC 041, report balances due from U.S. branches and agencies of foreign banks in Schedule RC-A, item 2.a, and balances due from other commercial banks in the U.S. and other depository institutions in the U.S. in Schedule RC-A, item 2.b.~~

Depository institutions in the U.S. cover:

- (1) U.S. branches and agencies of foreign banks (refer to the Glossary entry for "banks, U.S. and foreign" for the definition of this term); and
- (2) All other depository institutions in the U.S., i.e.,
  - (a) U.S. branches of U.S. banks (refer to the Glossary entry for "banks, U.S. and foreign");
  - (b) savings or building and loan associations, homestead associations, and cooperative banks;
  - (c) mutual and stock savings banks; and
  - (d) credit unions.

For purposes of this schedule, also include Federal Home Loan Banks in "all other depository institutions in the U.S."

Balances due from such institutions cover all interest-bearing and noninterest-bearing balances whether in the form of demand, savings, or time balances, including certificates of deposit (CDs), even if the CDs are negotiable or have CUSIP numbers, but excluding certificates of deposit held for trading. Balances, as reported in these items, should reflect funds on deposit at other depository institutions in the U.S. for which the reporting bank has already received credit and which are subject to immediate withdrawal. Balances for which the bank has not yet received credit and balances representing checks or drafts for which immediate credit has been given but which are not subject to immediate withdrawal are to be reported as "cash items in process of collection."

Included in the amounts to be reported as balances due from depository institutions in the U.S. are:

- (1) Balances due from the reporting bank's correspondents, including amounts that its correspondent is to pass through or already has passed through to a Federal Reserve Bank on behalf of the reporting bank (see the Glossary entry for "pass-through reserve balances" for further discussion).

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- 2** (cont.) (2) Balances that reflect deposit credit received by the reporting bank because of credit or debit card sales slips that had been forwarded for collection. (Until credit has been received, report as noncash items in process of collection in Schedule RC-F, item 6, "All other assets.")

Exclude from balances due from depository institutions in the U.S.: ~~Schedule RC-A, items 2, 2.a, and 2.b:~~

- (1) Cash items in process of collection (including cash letters and "ledger credit" items) and unposted debits (report in Schedule RC-A, item 1, above).
- (2) All balances that the reporting bank's trust department maintains with other depository institutions.
- (3) Loans to depository institutions (report in Schedule RC-C, part I, item 2).
- (4) Certificates of deposit held for trading (report in Schedule RC, item 5).

~~**2.a** **U.S. branches and agencies of foreign banks (including their IBFs).** Report (on the FFIEC 031, in column A) all balances due from U.S. branches and agencies of foreign banks (including their IBFs).~~

~~**2.b** **Other depository institutions in the U.S. (including their IBFs).** Report (on the FFIEC 031, in column A) all balances due from depository institutions in the U.S., other than U.S. branches and agencies of foreign banks.~~

- 3** **Balances due from banks in foreign countries and foreign central banks.** ~~Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from banks in foreign countries and foreign central banks. On the FFIEC 031, report this item as a single total for the domestic offices of the bank in column B, but with a breakdown between balances due from foreign branches of other U.S. banks (Schedule RC-A, item 3.a) and balances due from other banks in foreign countries and foreign central banks (Schedule RC-A, item 3.b) for the fully consolidated bank in column A. On the FFIEC 041, report balances due from foreign branches of other U.S. banks in Schedule RC-A, item 3.a, and balances due from other banks in foreign countries and foreign central banks in Schedule RC-A, item 3.b.~~

Banks in foreign countries cover:

- (1) foreign-domiciled branches of other U.S. banks; and
- (2) foreign-domiciled branches of foreign banks.

See the Glossary entry for "banks, U.S. and foreign" for a description of banks in foreign countries.

For purposes of this item, foreign central banks cover:

- (1) Central banks in foreign countries;
- (2) Departments of foreign central governments that have, as an important part of their functions, activities similar to those of a central bank;

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- 3** (cont.) (3) Nationalized banks and banking institutions owned by central governments that have, as an important part of their functions, activities similar to those of a central bank; and
- (4) The Bank for International Settlements (BIS).

Balances due from banks in foreign countries and foreign central banks cover all interest-bearing and noninterest-bearing balances excluding any balances that the reporting bank holds for trading. Balances, as reported in this item, should reflect funds on deposit at other banks in foreign countries and at foreign central banks for which the reporting bank has already received credit. Balances with foreign central banks should include all balances with such entities, including reserve, operating, and investment balances. On the FFIEC 031, balances reported in column A should include "placements and redeposits" between foreign offices of the reporting bank and foreign offices of other banks.

Exclude from balances due from banks in foreign countries and foreign central banks: Schedule RC-A, items 3, 3.a, and 3.b:

- (1) Balances with due from U.S. branches and agencies of foreign banks (report in Schedule RC-A, item 2 above).
- (2) Loans to foreign central banks (report in Schedule RC-C, part I, item 7, on the FFIEC 031; Schedule RC-C, part I, item 9.b, on the FFIEC 041).
- (3) Loans to banks in foreign countries (report in Schedule RC-C, part I, item 2.c).
- (4) Cash items in process of collection and unposted debits (report in Schedule RC-A, item 1 above).
- (5) Any balances held for trading (report in Schedule RC, item 5).

~~3.a Foreign branches of other U.S. banks. Report (on the FFIEC 031, in column A) all balances due from foreign-domiciled branches of other U.S. banks.~~

~~3.b Other banks in foreign countries and foreign central banks. Report (on the FFIEC 031, in column A) all balances due from banks in foreign countries, other than foreign-domiciled branches of other U.S. banks, and foreign central banks.~~

- 4** **Balances due from Federal Reserve Banks.** Report (on the FFIEC 031, in columns A and B, as appropriate) the total balances due from Federal Reserve Banks as shown by the reporting bank's books. This amount includes balances maintained to satisfy reserve balance requirements, excess balances, and term deposits. Include the amount of balances maintained to satisfy reserve balance requirements actually passed through to a Federal Reserve Bank by the reporting bank on behalf of its respondent depository institutions. If the reporting bank is an agent for an excess balance account at a Federal Reserve Bank, the balances in the excess balance account should not be reflected as an asset or a liability on the reporting bank's balance sheet and should not be reported in this item. (See the Glossary entries for "excess balance account" and "pass-through reserve balances.")

On the FFIEC 031, include in column A balances of the bank's Edge and Agreement subsidiaries with a Federal Reserve Bank.

- 5** **Total.** On the FFIEC 041, report the sum of items 1 through 4. On the FFIEC 031, report the sum of items 1 through 4 in column A for the fully consolidated bank and in column B for its domestic offices. On the FFIEC 041, this item must equal Schedule RC, sum of items 1.a and 1.b. On the FFIEC 031, the total of column A must equal Schedule RC, sum of items 1.a and 1.b.

## SCHEDULE RC-F – OTHER ASSETS

### General Instructions

Complete this schedule for the fully consolidated bank. Eliminate all intrabank transactions between offices of the consolidated bank.

### Item Instructions

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- 1**        **Accrued interest receivable.** Report the amount of interest earned or accrued on earning assets and applicable to current or prior periods that has not yet been collected.

Exclude retained interests in accrued interest receivable related to securitized credit cards (report in Schedule RC-F, item 6, "All other assets").

- 2**        **Net deferred tax assets.** Report the net amount after offsetting deferred tax assets (net of valuation allowance) and deferred tax liabilities measured at the report date for a particular tax jurisdiction if the net result is a debit balance. If the result for a particular tax jurisdiction is a net credit balance, report the amount in Schedule RC-G, item 2, "Net deferred tax liabilities." If the result for each tax jurisdiction is a net credit balance, enter a zero in this item. (A bank may report a net deferred tax debit, or asset, for one tax jurisdiction, such as for federal income tax purposes, and also report at the same time a net deferred tax credit, or liability, for another tax jurisdiction, such as for state or local income tax purposes.)

For further information on calculating deferred taxes for different tax jurisdictions, see the Glossary entry for "income taxes."

- 3**        **Interest-only strips receivable (not in the form of a security)-on.** **Report the fair value of interest-only strips receivable (not in the form of a security) on mortgage loans and all other financial assets.** As defined in ASC Topic 860, Transfers and Servicing (formerly FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," as amended), an interest-only strip receivable is the contractual right to receive some or all of the interest due on a bond, mortgage loan, collateralized mortgage obligation, or other interest-bearing financial asset. This includes, for example, contractual rights to future interest cash flows that exceed contractually specified servicing fees on financial assets that have been sold. Report in the appropriate subitem interest-only strips receivable not in the form of a security that are measured at fair value like available-for-sale securities.<sup>1</sup> Report unrealized gains (losses) on these interest-only strips receivable in Schedule RC, item 26.b, "Accumulated other comprehensive income."

Exclude from this item interest-only strips receivable in the form of a security, which should be reported as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate. Also exclude interest-only strips not in the form of a security that are held for trading, which should be reported in Schedule RC, item 5.

~~**3.a**        **Mortgage loans.** Report the fair value of interest-only strips receivable (not in the form of a security) on mortgage loans.~~

~~**3.b**        **Other financial assets.** Report the fair value of interest-only strips receivable (not in the form of a security) on financial assets other than mortgage loans.~~

<sup>1</sup> An interest-only strip receivable is not in the form of a security if the strip does not meet the definition of a security in ASC Topic 320, Investments-Debt and Equity Securities (formerly FASB Statement No. 115, "Accounting for Certain Investments in Debt and Equity Securities").



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- 5.b        Separate account life insurance assets.** Report the amount of the bank's holdings of life insurance assets associated with separate account insurance policies. In a separate account policy, the policy's cash surrender value is supported by assets segregated from the general assets of the insurance carrier. Under such an arrangement, the policyholder neither owns the underlying separate account created by the insurance carrier on its behalf nor controls investment decisions in the underlying account, but does assume all investment and price risk.

Separate accounts are employed by life insurers to meet specific investment objectives of policyholders. The accounts are often maintained as separate accounting and reporting entities for pension plans as well as fixed benefit, variable annuity, and other products. Investment income and investment gains and losses generally accrue directly to such policyholders and are not accounted for on the general accounts of the insurer. On the books of the insurer, the carrying values of separate account assets and liabilities usually approximate each other with little associated capital. Because they are legally segregated, the assets of each separate account are not subject to claims on the insurer that arise out of any other business of the insurance company.

- 5.c        Hybrid account life insurance assets.** Report the amount of the bank's holdings of life insurance assets associated with hybrid account insurance policies. A hybrid account insurance policy combines features of both general and separate account insurance products. Similar to a general account life insurance policy, a hybrid policy offers a guaranteed minimum crediting rate, does not carry market value risk, and does not require stable value protection. However, like a separate account life insurance policy, a hybrid policy's cash surrender value is supported by assets segregated from the general assets of the insurance carrier. Because they are legally segregated, the assets of each separate account are not subject to claims on the insurer that arise out of any other business of the insurance company. Additionally, the bank holding the hybrid account life insurance policy is able to select the investment strategy in which the insurance premiums are invested. Under such an arrangement, the policyholder neither owns the underlying separate account created by the insurance carrier on its behalf nor controls investment decisions in the underlying account.

- 6            All other assets.** Report the amount of all other assets (other than those reported in Schedule RC-F, items 1, 2, 3, 4, and 5, above) that cannot properly be reported in Schedule RC, items 1 through 10.

Disclose in Schedule RC-F, items 6.a through 6.kj, each component of all other assets, and the dollar amount of such component, that is greater than \$100,000 and exceeds 25 percent of the amount of all other assets reported in this item.

For each component of all other assets that exceeds the reporting threshold for which a preprinted caption has not been provided in Schedule RC-F, items 6.a through 6.hg, describe the component with a clear but concise caption in Schedule RC-F, items 6.ih through 6.jk. These descriptions should not exceed 50 characters in length (including spacing between words).

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(cont.)Include as all other assets:

- (1) Prepaid expenses, i.e., those applicable as a charge against earnings in future periods.<sup>1</sup> (Report the amount of such assets in Schedule RC-F, item 6.a, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)
- (2) Automobiles, boats, equipment, appliances, and similar personal property repossessed or otherwise acquired for debts previously contracted. (Report the amount of such assets in Schedule RC-F, item 6.b, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)
- (3) Derivative instruments that have a positive fair value that the bank holds for purposes other than trading. For further information, see the Glossary entry for "derivative contracts." (Report this positive fair value in Schedule RC-F, item 6.c, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)
- (4) Retained interests in accrued interest receivable related to securitized credit cards. For further information, see the Glossary entry for "accrued interest receivable related to credit card securitizations." ~~(Report the amount of such retained interests in Schedule RC-F, item 6.d, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)~~
- (5) Accrued interest on securities purchased (if accounted for separately from "accrued interest receivable" in the bank's records).
- (6) Cash items not conforming to the definition of "Cash items in process of collection" found in the instruction to Schedule RC, item 1.a.
- (7) The *full* amount (with the exceptions noted below) of customers' liability to the reporting bank on drafts and bills of exchange that have been accepted by the reporting bank, or by others for its account, and are outstanding. The amount of customers' liability to the reporting bank on its acceptances that have not yet matured should be reduced *only* when: (a) the customer anticipates its liability to the reporting bank on an outstanding acceptance by making a payment to the bank in advance of the acceptance's maturity that immediately reduces the customer's indebtedness to the bank on such an acceptance; or (b) the reporting bank acquires and holds its own acceptance. See the Glossary entry for "bankers acceptances" for further information.
- (8) Credit or debit card sales slips in process of collection until the reporting bank has been notified that it has been given credit (report thereafter in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and, if applicable, in Schedule RC-A, item 2, "Balances due from depository institutions in the U.S.," or item 3, "Balances due from banks in foreign countries and foreign central banks," as appropriate).

<sup>1</sup> For banks involved in insurance activities, examples of prepaid expenses include ceding fees and acquisition fees paid to insurance carriers external to the consolidated bank.

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- 6**  
(cont.)
- (9) Purchased computer software, net of accumulated amortization, and unamortized costs of computer software to be sold, leased, or otherwise marketed capitalized in accordance with the provisions of ASC Subtopic 985-20, Software – Costs of Software to Be Sold, Leased or Marketed (formerly FASB Statement No. 86, “Accounting for the Cost of Computer Software to be Sold, Leased, or Otherwise Marketed”). (Report the amount of computer software in Schedule RC-F, item 6.~~fe~~, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)
- (10) Bullion (e.g., gold or silver) not held for trading purposes.
- (11) Original art objects, including paintings, antique objects, and similar valuable decorative articles (report at cost unless there has been a decline in value, judged to be other than temporary, in which case the object should be written down to its fair value).
- (12) Securities or other assets held in charitable trusts (e.g., Clifford Trusts).
- (13) Debt issuance costs related to line-of-credit arrangements, net of accumulated amortization. Debt issuance costs related to a recognized debt liability that is not a line-of-credit arrangement should be presented as a direct deduction from the face amount of the related debt, not as an asset. For debt reported at fair value under a fair value option, debt issuance costs should be expensed as incurred.<sup>1</sup>
- (14) Furniture and equipment rented to others under operating leases, net of accumulated depreciation.
- (15) Ground rents.
- (16) Customers' liability for deferred payment letters of credit.
- (17) Reinsurance recoverables from reinsurers external to the consolidated bank.
- (18) "Separate account assets" of the reporting bank's insurance subsidiaries.
- (19) The positive fair value of unused loan commitments (not accounted for as derivatives) that the bank has elected to report at fair value under a fair value option.
- (20) FDIC loss-sharing indemnification assets. These indemnification assets represent the carrying amount of the right to receive payments from the FDIC for losses incurred on specified assets acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC. (Report the amount of such assets in Schedule RC-F, item 6.~~ed~~, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.) (Exclude the assets covered by the FDIC loss-sharing agreements from this

<sup>1</sup> Refer to Accounting Standards Update (ASU) No. 2015-03, “Simplifying the Presentation of Debt Issuance Costs,” for transition guidance. For institutions with a calendar year fiscal year, the ASU must be applied by public business entities in their March 2016 Call Reports and by private companies in their December 2016 Call Reports. Early adoption of the ASU is permitted. Until an institution has adopted the ASU in accordance with its applicable effective date, all debt issuance costs should be reported on the balance sheet as an asset (i.e., a deferred charge). The ASU is limited to the presentation of debt issuance costs; therefore, the recognition and measurement guidance for such costs is unaffected.

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**6**  
(cont.)            component of "All other assets." Instead, report each covered asset in the balance sheet category appropriate to the asset on Schedule RC, e.g., report covered held-for-investment loans in Schedule RC, item 4.b, "Loans and leases held for investment.")

- (21) Receivables arising from foreclosures on fully and partially government-guaranteed mortgage loans if the guarantee is not separable from the loan before foreclosure and, at the time of foreclosure, (a) the institution's intent is to convey the property to the guarantor and make a claim on the guarantee and the institution has the ability to recover under that claim, and (b) any amount of the claim that is determined on the basis of the fair value of the real estate is fixed. For further information, see the Glossary entry for "Foreclosed assets." (Report these receivables in Schedule RC-F, item 6.gg, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.)
- (22) The reporting institution's own accounts receivable. (Report these receivables in Schedule RC-F, item 6.gf, if this amount is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 6.) (Exclude factored accounts receivable, which should be reported as loans in Schedule RC-C.)

**Exclude from all other assets:**

- (1) Redeemed U.S. savings bonds and food stamps (report in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and, if applicable, in Schedule RC-A, item 1, "Cash items in process of collection, unposted debits, and currency and coin").
- (2) Real estate owned or leasehold improvements to property intended for future use as banking premises (report in Schedule RC, item 6, "Premises and fixed assets").
- (3) Accounts identified as "building accounts," "construction accounts," or "remodeling accounts" (report in Schedule RC, item 6, "Premises and fixed assets").
- (4) 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 bank has not yet received title to the property, and real estate collateral underlying a loan when the bank has obtained physical possession of the collateral (report as "Other real estate owned" in Schedule RC, item 7).
- (5) Due bills representing purchases of securities or other assets by the reporting bank that have not yet been delivered (report as loans in Schedule RC-C).
- (6) Factored accounts receivable (report as loans in Schedule RC-C).

**7**            **Total.** Report the sum of items 1 through 6. This amount must equal Schedule RC, item 11, "Other assets."

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- 15**    **Other foreign debt securities.** Report in the appropriate columns the amortized cost of held-to-maturity and the fair value of available-for-sale asset-backed securities (as defined for Schedule RC-B, item 5.a) issued by non-U.S. issuers, structured financial products (as defined for Schedule RC-B, item 5.b) issued by non-U.S. issuers, and other foreign debt securities (as defined for Schedule RC-B, item 6.b) held in domestic offices of the reporting bank.
- 16**    **Investments in mutual funds and other equity securities with readily determinable fair values.** Report in column B the fair value of all investments in mutual funds and other equity securities with readily determinable fair values (as defined for Schedule RC-B, item 7) held in domestic offices of the reporting bank.
- 17**    **Total held-to-maturity and available-for-sale securities.** Report the sum of items 10 through 16. The total of column A for this item must be less than or equal to Schedule RC-B, item 8, column A. The total of column B for this item must be less than or equal to Schedule RC-B, item 8, column D.
- 18**    **Equity securities that do not have readily determinable fair values.** Report the historical cost of equity securities without readily determinable fair values (as defined for Schedule RC-F, item 4) held in domestic offices of the reporting bank.

NOTE: Items 19, 20, and 21 are to be completed by institutions that reported total trading assets of \$10 million or more in any of the four preceding calendar quarters and by all institutions meeting the FDIC's definition of a large or highly complex institution for deposit insurance assessment purposes.

- 19**    **Total trading assets.** Report the total fair value of all trading assets (as defined for Schedule RC, item 5) held in domestic offices of the reporting bank.
- 20**    **Total trading liabilities.** Report the total fair value of all trading liabilities (as defined for Schedule RC, item 15) held in domestic offices of the reporting bank.
- 21**    **Total loans held for trading.** Report the total fair value of all loans held for trading (as defined for Schedule RC-D, items 6.a through 6.d) held in domestic offices of the reporting bank.

NOTE: Item 22 is to be completed by institutions that (1) have elected to report financial instruments or servicing assets and liabilities at fair value under a fair value option with changes in fair value recognized in earnings, or (2) are required to complete Schedule RC-D, Trading Assets and Liabilities.

- 22**    **Total amount of fair value option loans held for investment and held for sale.** Report the total fair value of all loans held for investment and held for sale (as defined for Schedule RC-C, Part I, item 12) held in domestic offices of the reporting bank that are measured at fair value under a fair value option with changes in fair value recognized in earnings.

**Memoranda****Item No.    Caption and Instructions**

NOTE: Memorandum items 3.a through 3.d are not applicable to banks filing the FFIEC 031 report form. On the FFIEC 041 report form, Memorandum items 3.a through 3.d are not applicable to banks that have less than \$300 million in total assets.

- 3.a        Loans secured by real estate to non-U.S. addressees (domicile).** Report in the appropriate column the amount of all loans secured by real estate to non-U.S. addressees that are 30 days or more past due or are in nonaccrual status as of the report date. Such loans will have been included in Schedule RC-N, items 1.a through 1.e, above.
- 3.b        Loans to and acceptances of foreign banks.** Report in the appropriate column the amount of all loans to and acceptances of U.S. branches and agencies of foreign banks included in Schedule RC-C, part I, items 2.a, column A, and all loans to and acceptances of other banks in foreign countries included in Schedule RC-C, part I, item 2.c, column A, that are past due 30 days or more or are in nonaccrual status as of the report date. Such loans and acceptances will have been included in Schedule RC-N, item 2, above.
- 3.c        Commercial and industrial loans to non-U.S. addressees (domicile).** Report in the appropriate column the amount of all commercial and industrial loans to non-U.S. addressees included in Schedule RC-C, part I, item 4.b, column A, that are past due 30 days or more or are in nonaccrual status as of the report date. Such loans will have been included in Schedule RC-N, item 4, above.
- 3.d        Leases to individuals for household, family, and other personal expenditures.** Report in the appropriate column the amount of all leases to individuals for household, family, and other personal expenditures (net of unearned income) included in Schedule RC-C, part I, item 10.a, column A, that are past due 30 days or more or are in nonaccrual status as of the report date. Such leases will have been included in Schedule RC-N, item 8, above.

NOTE: Memorandum item 4 is not applicable to banks filing the FFIEC 031 report form. On the FFIEC 041 report form, Memorandum item 4 is to be completed by:

- banks with \$300 million or more in total assets, and
- banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers, as defined for Schedule RC-C, part I, item 3, column B, exceeding five percent of total loans and leases held for investment and held for sale (Schedule RC-C, part I, item 12).

- 4        Loans to finance agricultural production and other loans to farmers.** Report in the appropriate column the amount of all loans to finance agricultural production and other loans to farmers included in Schedule RC-C, part I, item 3, column B, that are past due 30 days or more or are in nonaccrual status as of the report date. Such loans will have been included in Schedule RC-N, item 7, above.

- ~~**5        Loans and leases held for sale and loans measured at fair value.** Report in the appropriate subitem and column the amount of all loans and leases held for sale, whether measured at the lower of cost or fair value or at fair value under a fair value option, and all loans held for investment measured at fair value under a fair value option that are past due 30 days or more or are in nonaccrual status as of the report date. Such loans and leases will have been included in one or more of the loan and lease categories in items 1 through 8 of Schedule RC-N above and would, therefore, exclude any loans classified as trading assets and included in Schedule RC, item 5.~~

**Memoranda****Item No.    Caption and Instructions**

**5.a**    **Loans and leases held for sale.** Report in the appropriate column the carrying amount of all loans and leases classified as held for sale included in Schedule RC, item 4.a, which are reported at the lower of cost or fair value or at fair value under a fair value option, that are past due 30 days or more or are in nonaccrual status as of the report date. Such loans and leases will have been included in one or more of the loan and lease categories in items 1 through 8 of Schedule RC-N above and would, therefore, exclude any loans classified as trading assets and included in Schedule RC, item 5.

~~**5.b**    **Loans measured at fair value.** Report in the appropriate subitem and column the total fair value and unpaid principal balance of all loans held for investment that are measured at fair value under a fair value option included in Schedule RC, item 4.b, that are past due 30 days or more or are in nonaccrual status as of the report date.~~

~~**5.b.(1)**    **Fair value.** Report in the appropriate column the total fair value of all loans held for investment that are measured at fair value under a fair value option included in Schedule RC, item 4.b, that are past due 30 days or more or are in nonaccrual status as of the report date.~~

~~**5.b.(2)**    **Unpaid principal balance.** Report in the appropriate column the total unpaid principal balance of all loans held for investment that are measured at fair value under a fair value option included in Schedule RC, item 4.b, that are past due 30 days or more or are in nonaccrual status as of the report date.~~

NOTE: Memorandum item 6 is not applicable to banks filing the FFIEC 041 report form.

**6**    **Derivative contracts: Fair value of amounts carried as assets.** Report in the appropriate column the fair value of all credit derivative contracts (as defined for Schedule RC-L, item 7) and all interest rate, foreign exchange rate, equity, and commodity and other derivative contracts (as defined for Schedule RC-L, item 12) on which a required payment by the bank's counterparty is past due 30 days or more as of the report date.

NOTE: Memorandum items 7, 8, 9.a, and 9.b are to be completed semiannually in the June and December reports only.

**7**    **Additions to nonaccrual assets during the previous six monthsquarter.** Report the aggregate amount of all loans, leases, debt securities, and other assets (net of unearned income) that have been placed in nonaccrual status during the six monthscalendar quarter ending on the semiannual (i.e., June 30 or December 31) report date for this item. Include those assets placed in nonaccrual status during the quarterthis six month period that are included as of the quarter-endcurrent report date in Schedule RC-N, column C, items 1 through 8 and 10. Also include those assets placed in nonaccrual status during the quarterthis six month period that, before the current quarter-endsemiannual report date for this item, have been sold, paid off, charged-off, settled through foreclosure or concession of collateral (or any other disposition of the nonaccrual asset) or have been returned to accrual status. In other words, the aggregate amount of assets placed in nonaccrual status since the prior quarter-endsemiannual report date that should be reported in this item should not be reduced, for example, by any charge-offs or sales of such nonaccrual assets. If a given asset is placed in nonaccrual status more than once during the quartersix month period ending on the current semiannual report date, report the amount of the asset only once.

**8**    **Nonaccrual assets sold during the previous six monthsquarter.** Report the total of the outstanding balances of all loans, leases, debt securities, and other assets held in nonaccrual

status (i.e., reportable in Schedule RC-N, column C, items 1 through 8 and 10) that were sold during the ~~calendar quarter~~ six months ending on the semiannual (i.e., June 30 or December 31) report date for this item. The amount to be included in this item is the outstanding balance (net of unearned income) of each nonaccrual asset at the time of its sale. Do not report the sales price of the nonaccrual assets and do not include any gains or losses from the sale. For purposes of this item, only include those transfers of nonaccrual assets that meet the criteria for a sale as set forth in ASC Topic 860, Transfers and Servicing (formerly FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," as amended). For further information, see the Glossary entry for "transfers of financial assets."



## SCHEDULE RC-P – 1-4 FAMILY RESIDENTIAL MORTGAGE BANKING ACTIVITIES

### General Instructions

Schedule RC-P is to be completed by ~~(1) all banks with \$1 billion or more in total assets and (2) those banks with less than \$1 billion in total assets~~ where **any** of the following residential mortgage banking activities (in domestic offices) exceeds \$10 million for two consecutive quarters:

- (a) Closed-end and open-end first lien and junior lien 1-4 family residential mortgage loan originations and purchases for resale from all sources during a calendar quarter; or
- (b) Closed-end and open-end first lien and junior lien 1-4 family residential mortgage loan sales during a calendar quarter; or
- (c) Closed-end and open-end first lien and junior lien 1-4 family residential mortgage loans held for sale and held for trading at calendar quarter-end.

For purposes of measuring 1-4 family residential mortgage banking activities ~~(at banks with less than \$1 billion in total assets)~~ and reporting on these activities in Schedule RC-P, banks should include those 1-4 family residential mortgage loans that would be reportable as held for sale as well as those that would be reportable as held for trading.

~~For a bank with less than \$1 billion in total assets, the~~ bank must complete Schedule RC-P beginning the second quarter in which the \$10 million threshold is exceeded and continue to complete the schedule through the end of the calendar year. Open-end mortgage banking activities should be measured using the “total commitment under the lines of credit” as defined below. For example, if the bank’s closed-end and open-end first and junior lien 1-4 family residential mortgage loan originations and purchases for resale from all sources exceeded \$10 million during the quarter ended June 30, 201~~07~~, and the bank’s sales of such loans exceeded \$10 million during the quarter ended September 30, 201~~07~~, the bank would be required to complete Schedule RC-P in its September 30 and December 31, 201~~07~~, Call Reports. If its total assets remain less than \$1 billion, the level of this bank’s mortgage banking activities during the fourth quarter of 201~~07~~ and the first quarter of 201~~18~~ would determine whether it would need to complete Schedule RC-P each quarter during 201~~18~~ beginning March 31, 201~~18~~.

For purposes of Schedule RC-P, closed-end 1-4 family residential mortgage loans are defined in Schedule RC-C, part I, item 1.c.(2), “Closed-end loans secured by 1-4 family residential properties.”

~~All closed-end 1-4 family residential mortgage loans secured by junior (i.e., other than first) liens should be reported as junior liens in Schedule RC-P even if the bank has also originated or purchased a loan secured by a first lien on the same 1-4 family residential property and there are no intervening junior liens.~~

Open-end 1-4 family residential mortgage loans are defined in Schedule RC-C, part I, item 1.c.(1), “Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.” These Schedule RC-C definitions also apply to closed-end and open-end 1-4 family residential mortgage loans that would be reportable as held for trading in Schedule RC-D and in Schedule RC, item 5, “Trading assets.”

For purposes of reporting on open-end loans extended under lines of credit in Schedule RC-P, the “total commitment under the lines of credit” is defined as the total amount of the lines of credit granted to customers at the time the open-end credits were originated. For retail and wholesale originations of such open-end loans, the “principal amount funded under the lines of credit” is defined as the initial fundings made to customers on newly established lines of credit. For open-end loans purchased, sold, held for sale or trading, and repurchased or indemnified, the “principal amount funded under the lines of credit” is defined as the principal balance outstanding of loans extended under lines of credit at the transaction date or at quarter-end, as appropriate.

**Item Instructions****Item No. Caption and Instructions****1 Retail originations during the quarter of 1-4 family residential mortgage loans for sale.**  
Report the total of:

- ~~The principal amount of in the appropriate subitem~~ retail originations of closed-end first lien and junior lien 1-4 family residential mortgage loans for resale during the calendar quarter ending on the report date, and
- ~~The total amount of~~ open-end commitments under retail originations of revolving, open-end lines of credit secured by 1-4 family residential ~~mortgage loans~~properties for resale during the calendar quarter ending on the report date.

Include as retail originations those closed-end and open-end 1-4 family residential mortgage loans for which the origination and underwriting process was handled exclusively by the bank or a consolidated subsidiary of the bank. However, if the reporting bank is acting merely as a broker or agent and forwards loan applications and supporting documentation to another party who closes or funds the loans in its name (even if the reporting bank has some involvement in processing and underwriting the loans), the reporting bank should not report these loans as originations or purchases in this schedule.

Exclude closed-end and open-end 1-4 family residential mortgage loans originated or purchased for the reporting bank's own loan portfolio.

~~1.a Closed-end first liens. Report the principal amount of retail originations of closed-end first lien 1-4 family residential mortgage loans for resale during the calendar quarter.~~

~~1.b Closed-end junior liens. Report the principal amount of retail originations of closed-end junior lien 1-4 family residential mortgage loans for resale during the calendar quarter.~~

~~1.c Open-end loans extended under lines of credit:~~

~~1.c.(1) Total commitment under the lines of credit. Report the total amount of open-end commitments under retail originations of revolving, open-end lines of credit secured by 1-4 family residential properties for resale during the calendar quarter.~~

~~1.c.(2) Principal amount funded under the lines of credit. Report the total principal amount funded under open-end commitments arising from the retail originations of revolving, open-end lines of credit secured by 1-4 family residential properties for resale during the calendar quarter reported in item 1.c.(1) above.~~

**2 Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale.** Report the total of:

- ~~The principal amount of in the appropriate subitem~~ wholesale originations and purchases of closed-end first lien and junior lien 1-4 family residential mortgage loans for resale during the calendar quarter ending on the report date, and
- ~~The total amount of~~ open-end commitments under wholesale originations and purchases of revolving, open-end lines of credit secured by 1-4 family residential mortgage ~~loans~~properties for resale during the calendar quarter ending on the report date.

Include as wholesale originations and purchases those closed-end and open-end 1-4 family residential mortgage loans for resale for which the origination and underwriting process was handled in whole or in part by another party, such as a correspondent or mortgage broker,

even if the loan was closed in the name of the bank or a consolidated subsidiary of the bank (often referred to as “table funding arrangements”). Also include acquisitions of closed-end and open-end 1-4 family residential mortgage loans for resale that were closed in the name of a party other than the bank or a consolidated subsidiary of the bank. However, if the reporting bank is acting merely as a broker or agent and forwards loan applications and supporting documentation to another party who closes or funds the loans in its name (even if the reporting bank has some involvement in processing and underwriting the loans), the reporting bank should not report these loans as originations or purchases in this schedule.

Exclude closed-end and open-end 1-4 family residential mortgage loans originated or purchased for the reporting bank’s own loan portfolio.

**Item No.    Caption and Instructions**

~~2.a    **Closed-end first liens.** Report the principal amount of wholesale originations and purchases of closed-end first lien 1-4 family residential mortgage loans for resale during the calendar quarter.~~

~~2.b    **Closed-end junior liens.** Report the principal amount of wholesale originations and purchases of closed-end junior lien 1-4 family residential mortgage loans for resale during the calendar quarter.~~

~~2.c    **Open-end loans extended under lines of credit:**~~

~~2.c.(1)    **Total commitment under the lines of credit.** Report the total amount of open-end commitments under wholesale originations and purchases of revolving, open-end lines of credit secured by 1-4 family residential properties for resale during the calendar quarter.~~

~~2.c.(2)    **Principal amount funded under the lines of credit.** Report the total principal amount funded under open-end commitments arising from the wholesale originations of revolving, open-end lines of credit secured by 1-4 family residential properties for resale during the calendar quarter reported in item 2.c.(1) above.~~

**3    1-4 family residential mortgage loans sold during the quarter.** Report the total of: in the appropriate subitem

- The principal amount of closed-end first lien and junior lien 1-4 family residential mortgage loans sold during the calendar quarter ending on the report date, and
- The total amount of open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential mortgage loans-properties sold during the calendar quarter ending on the report date.

Include transfers of closed-end and open-end 1-4 family residential mortgage loans originated or purchased for resale from retail or wholesale sources that have been accounted for as sales in accordance with ASC Topic 860, Transfers and Servicing (formerly FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," as amended), i.e., those transfers where the loans are no longer included in the bank's consolidated total assets. Also include all sales during the quarter of closed-end and open-end 1-4 family residential mortgage loans directly from the bank's loan portfolio. For further information, see the Glossary entry for "transfers of financial assets."

~~3.a    **Closed-end first liens.** Report the principal amount of closed-end first lien 1-4 family residential mortgage loans sold during the calendar quarter.~~

~~3.b    **Closed-end junior liens.** Report the principal amount of closed-end junior lien 1-4 family residential mortgage loans sold during the calendar quarter.~~

~~3.c    **Open-end loans extended under lines of credit:**~~

~~3.c.(1)    **Total commitment under the lines of credit.** Report the total amount of open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential properties sold during the calendar quarter.~~

~~3.c.(2)    **Principal amount funded under the lines of credit.** Report the total principal amount funded under open-end commitments associated with the revolving, open-end lines of credit secured by 1-4 family residential properties sold during the calendar quarter reported in item 3.c.(1) above.~~

**Item No.    Caption and Instructions**

**4    1-4 family residential mortgage loans held for sale or trading at quarter-end.** Report ~~the total of: in the appropriate subitem~~

- ~~The carrying amount of~~ closed-end first lien and junior lien 1-4 family residential mortgage loans held for sale or trading as of the quarter-end report date, and
- ~~The total amount of~~ open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential mortgages-properties held for sale or trading as of the quarter-end report date, and

~~These closed-end loans and the funded amounts under these revolving, open-end lines of credit are~~ included in Schedule RC, item 4.a, "Loans and leases held for sale," and ~~in~~ Schedule RC, item 5, "Trading assets." ~~Closed-end L~~loans held for sale should be reported at the lower of cost or fair value or at fair value consistent with their presentation in Schedule RC, item 4.a. ~~Closed-end L~~loans held for trading should be reported at fair value consistent with their presentation in Schedule RC, item 5. Closed-end and open-end 1-4 family residential mortgage loans held for sale or trading at quarter-end include any mortgage loans transferred at any time from the bank's loan portfolio to a held-for-sale account or a trading account that have not been sold by quarter-end.

~~4.a    Closed-end first liens. Report the carrying amount of closed-end first lien 1-4 family residential mortgage loans held for sale or trading at quarter-end.~~

~~4.b    Closed-end junior liens. Report the carrying amount of closed-end junior lien 1-4 family residential mortgage loans held for sale or trading at quarter-end.~~

~~4.c    Open-end loans extended under lines of credit:~~

~~4.c.(1)    Total commitment under the lines of credit. Report the total amount of open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential properties held for sale or trading at quarter-end.~~

~~4.c.(2)    Principal amount funded under the lines of credit. Report the total principal amount funded under open-end commitments associated with the revolving, open-end lines of credit secured by 1-4 family residential properties held for sale or trading at quarter-end reported in item 4.c.(1) above.~~

**5    Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans.** Report ~~in the appropriate subitem~~ the noninterest income earned during the calendar quarter ending on the report date from ~~mortgage banking activities involving the sale, securitization, and servicing of~~ closed-end 1-4 family residential mortgage loans and revolving, open-end lines of credit secured by 1-4 family residential properties~~mortgage loans~~. Include the portion of the consolidated bank's "Trading revenue," "Net servicing fees," "Net securitization income," and "Net gains (losses) on sales of loans and leases" (items 5.c, 5.f, 5.g, and 5.i of Schedule RI) earned during the quarter that is attributable to closed-end and open-end 1-4 family residential mortgage loans.

~~5.a    Closed-end 1-4 family residential mortgage loans. Report the noninterest income earned during the calendar quarter ending on the report date from the sale, securitization, and servicing of closed-end 1-4 family residential mortgage loans.~~

~~5.b    Open-end 1-4 family residential mortgage loans extended under lines of credit. Report the noninterest income earned during the calendar quarter ending on the report date from the sale, securitization, and servicing of revolving, open-end lines of credit secured by 1-4 family residential properties.~~

**Item No.    Caption and Instructions****6    Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter.**

As a result of its 1–4 family residential mortgage banking activities, a bank may be obligated to repurchase mortgage loans that it has sold or otherwise indemnify the loan purchaser against loss because of borrower defaults, loan defects, other breaches of representations and warranties, or for other reasons. Report the total of:

- The total principal amount outstanding as of the date of repurchase or the date of indemnification, as appropriate, of in the appropriate subitem all closed-end first lien and junior lien 1-4 family residential mortgage loans previously sold by the bank or a consolidated subsidiary subject to an obligation to repurchase or indemnify that have been repurchased or indemnified during the calendar quarter ending on the report date, and
- The total amount of open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential properties as of the date of repurchase or the date of indemnification, as appropriate, that have been repurchased or indemnified during the calendar quarter ending on the report date.

Do not reduce this amount by any third-party indemnifications or reimbursements that the bank has received.

~~The following paragraphs specify the scope of the repurchases and indemnifications that are subject to reporting in the appropriate subitem. The amount to be reported in items 6.a and 6.b is the total principal amount outstanding on the loans that have been repurchased or indemnified during the calendar quarter ending on the report date. The amount to be reported in item 6.c.(1) is the total amount of open-end commitments under revolving, open-end lines of credit that have been repurchased or indemnified during the calendar quarter ending on the report date. The amount to be reported in item 6.c.(2) is the total principal amount funded under the open-end commitments that have been repurchased or indemnified during the calendar quarter ending on the report date.~~

Repurchased 1-4 family residential mortgage loans include loans that the bank (or a consolidated subsidiary) had sold but subsequently repurchased under repurchase obligation provisions of the sales agreement because of a delinquency, noncompliance with the sellers' representations and warranties, fraud or misrepresentation, or any other contractual requirement. Exclude 1-4 family residential mortgage loans that have been repurchased solely at the discretion of the bank (such as delinquent mortgage loans backing GNMA mortgage-backed securities), i.e., where the sales agreement contains a repurchase option (which may be conditional), but not a repurchase obligation.

Indemnifications of 1-4 family residential mortgage loans are limited to reimbursements to loan purchasers or other third parties for credit losses on loans that the bank (or a consolidated subsidiary) has sold. Include reimbursements made on loans where the bank has agreed with the purchaser or other third party not to repurchase the loan as required under the sales agreement, but rather to guarantee that no credit loss is sustained. Indemnifications also include loans for which payments have been made by the bank (or a consolidated subsidiary) to purchasers or other third parties as reimbursements for deficiency balances arising from sales of real estate collateral (whether or not foreclosed) on loans that the bank (or a consolidated subsidiary) has sold. Exclude indemnification arrangements that are limited to reimbursements of legal fees or administrative costs.

~~**6.a    Closed-end first liens.** Report the total principal amount outstanding as of the date of repurchase or the date of indemnification, as appropriate, of closed-end first lien 1-4 family residential mortgage loans previously sold by the bank or a consolidated subsidiary that have been repurchased or indemnified during the calendar quarter ending on the report date.~~

~~6.b~~ ~~**Closed-end junior liens.** Report the total principal amount outstanding as of the date of repurchase or the date of indemnification, as appropriate, of closed-end junior lien 1-4 family residential mortgage loans previously sold by the bank or a consolidated subsidiary that have been repurchased or indemnified during the calendar quarter ending on the report date.~~

DRAFT

**Item No.    Caption and Instructions**~~6.c    Open-end loans extended under lines of credit:~~

~~6.c.(1)    Total commitment under the lines of credit. Report the total amount of open-end commitments under revolving, open-end lines of credit secured by 1-4 family residential properties as of the date of repurchase or the date of indemnification, as appropriate, that have been repurchased or indemnified during the calendar quarter ending on the report date.~~

~~6.c.(2)    Principal amount funded under the lines of credit. Report the total principal amount funded under open-end commitments associated with the revolving, open-end lines of credit secured by 1-4 family residential properties reported in item 6.c.(1) above as of the date of repurchase or the date of indemnification, as appropriate, that have been repurchased or indemnified during the calendar quarter ending on the report date.~~

**7    Representation and warranty reserves for 1-4 family residential mortgage loans sold.**

When an institution sells or securitizes mortgage loans, it typically makes certain representations and warranties to the investors or other purchasers of the loans at the time of the sale and to any financial guarantors or mortgage insurers of the loans sold. The specific representations and warranties may relate to the ownership of the loan, the validity of the lien securing the loan, and the loan's compliance with specified underwriting standards. Under ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, "Accounting for Contingencies"), an institution is required to accrue loss contingencies relating to the representations and warranties made in connection with its mortgage securitization activities and mortgage loan sales when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

Report in the appropriate subitem the amount of representation and warranty reserves included in Schedule RC-G, item 4, "All other liabilities," that the institution maintains for 1-4 family residential mortgage loans sold, including those mortgage loans transferred in securitizations accounted for as sales.

Amounts reported in Schedule RC-P, items 7.a and 7.b, will not be made available to the public on an individual institution basis. Amounts reported in Schedule RC-P, item 7.c, will be publicly available.

**7.a    For representations and warranties made to U.S. Government agencies and Government-sponsored agencies.** Report the amount of reserves that the institution maintains for representations and warranties made to U.S. Government agencies and Government-sponsored agencies in connection with sales of 1-4 family residential mortgage loans, including mortgage loans transferred in securitizations accounted for as sales.

U.S. Government agencies and Government-sponsored agencies include, but are not limited to, such agencies as the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Federal National Mortgage Association (FNMA).

**7.b    For representations and warranties made to other parties.** Report the amount of reserves that the institution maintains for representations and warranties made to parties other than U.S. Government agencies and Government-sponsored agencies in connection with sales of 1-4 family residential mortgage loans, including mortgage loans transferred in securitizations accounted for as sales.

**7.c    Total representation and warranty reserves.** Report the sum of items 7.a and 7.b.



## SCHEDULE RC-Q – ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

### General Instructions

Schedule RC-Q is to be completed by institutions that:

- ~~(1) Had total assets of \$500 million or more as of the beginning of their fiscal year; or~~  
~~(2) Had total assets of less than \$500 million as of the beginning of their fiscal year and either:~~  
 — ~~(a1)~~ Have elected to report financial instruments or servicing assets and liabilities at fair value under a fair value option with changes in fair value recognized in earnings, or  
 — ~~(b2)~~ Are required to complete Schedule RC-D, Trading Assets and Liabilities.

Institutions should report in Schedule RC-Q all assets and liabilities that are measured at fair value in the financial statements on a recurring basis. Exclude from Schedule RC-Q those assets and liabilities that are measured at fair value on a nonrecurring basis. Recurring fair value measurements of assets or liabilities are those fair value measurements that applicable accounting standards and these instructions require or permit in the balance sheet at the end of each reporting period. In contrast, nonrecurring fair value measurements of assets or liabilities are those fair value measurements that applicable accounting standards and these instructions require or permit in the balance sheet in particular circumstances (for example, when an institution subsequently measures foreclosed real estate at the lower of cost or fair value less estimated costs to sell).

### Column Instructions

#### Column A, Total Fair Value Reported on Schedule RC

Report in Column A the total fair value, as defined by ASC Topic 820, Fair Value Measurement (formerly FASB Statement No. 157, “Fair Value Measurements”), of those assets and liabilities reported on Schedule RC, Balance Sheet, that the bank reports at fair value on a recurring basis.

#### Columns B through E, Fair Value Measurements and Netting Adjustments

For items reported in Column A, report in Columns C, D, and E the fair value amounts which fall in their entirety in Levels 1, 2, and 3, respectively. The level in the fair value hierarchy within which a fair value measurement in its entirety falls should be determined based on the lowest level input that is significant to the fair value measurement in its entirety. Thus, for example, if the fair value of an asset or liability has elements of both Level 2 and Level 3 measurement inputs, report the entire fair value of the asset or liability in Column D or Column E based on the lowest level measurement input with the most significance to the fair value of the asset or liability in its entirety as described in ASC Topic 820. For assets and liabilities that the bank has netted under legally enforceable master netting agreements in accordance with ASC Subtopic 210-20, Balance Sheet – Offsetting (formerly FASB Interpretation No. 39, “Offsetting of Amounts Related to Certain Contracts,” and FASB Interpretation No. 41, “Offsetting of Amounts Related to Certain Repurchase and Reverse Repurchase Agreements”), report the gross amounts in Columns C, D, and E and the related netting adjustment in Column B. For more information on Level 1, 2, and 3 measurement inputs, see the Glossary entry for “fair value.”

ASC Topic 820 permits an institution, as a practical expedient, to measure the fair value of investments in investment companies and real estate funds that meet criteria specified in this topic using the investment’s net asset value (NAV) per share (or its equivalent). When an institution has elected to measure the fair value of such an investment using the NAV per share practical expedient and the fair value is measured on a recurring basis, the institution should report the investment’s fair value in

**Memoranda****Item No.    Caption and Instructions**

- 1**        **All other assets.** Disclose in Memorandum items 1.a through 1.f each component of all other assets, and the dollar amount of such component, that is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-Q, item 6, column A. For each component of all other assets that exceeds this disclosure threshold for which a preprinted caption has not been provided in Memorandum items 1.a and 1.b, describe the component with a clear but concise caption in Memorandum items 1.c through 1.f. These descriptions should not exceed 50 characters in length (including spacing between words).

Preprinted captions have been provided for the following categories of all other assets:

- Memorandum item 1.a, "Mortgage servicing assets," and
- Memorandum item 1.b, "Nontrading derivative assets."

- 2**        **All other liabilities.** Disclose in Memorandum items 2.a through 2.f each component of all other liabilities, and the dollar amount of such component, that is greater than \$100,000 and exceeds 25 percent of the amount reported in Schedule RC-Q, item 13, column A. For each component of all other liabilities that exceeds this disclosure threshold for which a preprinted caption has not been provided in Memorandum items 2.a and 2.b, describe the component with a clear but concise caption in Memorandum items 2.c through 2.f. These descriptions should not exceed 50 characters in length (including spacing between words).

Preprinted captions have been provided for the following categories of all other liabilities:

- Memorandum item 2.a, "Loan commitments (not accounted for as derivatives)," and
- Memorandum item 2.b, "Nontrading derivative liabilities."

NOTE: Memorandum items 3 and 4 are to be completed by banks that have elected to measure loans included in Schedule RC-C, Part I, at fair value under a fair value option.

- 3**        **Loans measured at fair value.** Report in the appropriate subitem the total fair value of all loans measured at fair value under a fair value option and included in Schedule RC-C, regardless of whether the loans are held for sale or held for investment.

- 3.a**        **Loans secured by real estate.** ~~On the FFIEC 041, R~~report in the appropriate subitem the total fair value of loans secured by real estate included in Schedule RC-C, Part I, item 1, measured at fair value under a fair value option. ~~On the FFIEC 031, report the total fair value of loans secured by real estate included in Schedule RC-C, Part I, item 1, measured at fair value under a fair value option for the fully consolidated bank in column A, but with a breakdown of these loans into seven categories for domestic offices in column B.~~

- ~~**3.a.(1)**        **Construction, land development, and other land loans.** Report the total fair value of construction, land development, and other land loans (in domestic offices) included in Schedule RC-C, Part I, items 1.a.(1) and (2), column B, measured at fair value under a fair value option.~~

- ~~**3.a.(2)**        **Secured by farmland.** Report the total fair value of loans secured by farmland (in domestic offices) included in Schedule RC-C, Part I, item 1.b, column B, measured at fair value under a fair value option.~~

**Memoranda****Item No.    Caption and Instructions**

- 3.a.(31)**    **Secured by 1-4 family residential properties.** Report ~~in the appropriate subitem~~ the total fair value of all open-end and closed-end loans secured by 1-4 family residential properties ~~(as defined for Schedule RC-C, Part I, item 1.c) (in domestic offices)~~ included in Schedule RC-C, Part I, item ~~1.c, column B~~, measured at fair value under a fair value option.
- ~~3.a.(3)(a)    **Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.** Report the total fair value of revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit (in domestic offices) included in Schedule RC-C, Part I, item 1.c.(1), column B, measured at fair value under a fair value option.~~
- ~~3.a.(3)(b)    **Closed-end loans secured by 1-4 family residential properties.** Report in the appropriate subitem the total fair value of all closed-end loans secured by 1-4 family residential properties (in domestic offices) included in Schedule RC-C, Part I, item 1.c.(2), column B, measured at fair value under a fair value option.~~
- ~~3.a.(3)(b)(1)    **Secured by first liens.** Report the total fair value of closed-end loans secured by first liens on 1-4 family residential properties (in domestic offices) included in Schedule RC-C, Part I, item 1.c.(2)(a), column B, measured at fair value under a fair value option.~~
- ~~3.a.(3)(b)(2)    **Secured by junior liens.** Report the total fair value of closed-end loans secured by junior liens on 1-4 family residential properties (in domestic offices) included in Schedule RC-C, Part I, item 1.c.(2)(b), column B, measured at fair value under a fair value option.~~
- ~~3.a.(4)    **Secured by multifamily (5 or more) residential properties.** Report the total fair value of loans secured by multifamily (5 or more) residential properties (in domestic offices) included in Schedule RC-C, Part I, item 1.d, column B, measured at fair value under a fair value option.~~
- ~~3.a.(5)    **Secured by nonfarm nonresidential properties.** Report the total fair value of loans secured by nonfarm nonresidential properties (in domestic offices) included in Schedule RC-C, Part I, items 1.e.(1) and (2), column B, measured at fair value under a fair value option.~~
- ~~3.a.(2)    **All other loans secured by real estate.** Report the total fair value of all other loans secured by real estate (as defined for Schedule RC-C, Part I, items 1.a, 1.b, 1.d, and 1.e) included in Schedule RC-C, Part I, item 1, measured at fair value under a fair value option.~~
- 3.b**    **Commercial and industrial loans.** On the FFIEC 041, report the total fair value of commercial and industrial loans included in Schedule RC-C, part I, item 4, measured at fair value under a fair value option. On the FFIEC 031, report the total fair value of commercial and industrial loans included in Schedule RC-C, part I, items 4.a and 4.b, measured at fair value under a fair value option.
- 3.c**    **Loans to individuals for household, family, and other personal expenditures.** Report ~~in the appropriate subitem~~ the total fair value of all loans to individuals for household, family, and other personal expenditures ~~(as defined for included in~~ Schedule RC-C, Part I, items 6.a through 6.d.) measured at fair value under a fair value option.
- ~~3.c.(1)    **Credit cards.** Report the total fair value of all extensions of credit to individuals for household, family, and other personal expenditures arising from credit cards included in Schedule RC-C, Part I, item 6.a, measured at fair value under a fair value option.~~
- ~~3.c.(2)    **Other revolving credit plans.** Report the total fair value of all extensions of credit to individuals for household, family, and other personal expenditures arising from prearranged~~

**Memoranda****Item No.    Caption and Instructions**

- ~~3.c.(2) — overdraft plans and other revolving credit plans not accessed by credit cards included in (cont.) — Schedule RC-C, Part I, item 6.b, measured at fair value under a fair value option.~~
- ~~3.c.(3) — **Automobile loans.** Report the total fair value of loans arising from retail sales of passenger cars and other vehicles such as minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use included in Schedule RC-C, Part I, item 6.c, measured at fair value under a fair value option.~~
- ~~3.c.(4) — **Other consumer loans.** Report the total fair value of all other loans to individuals for household, family, and other personal expenditures included in Schedule RC-C, item 6.d, measured at fair value under a fair value option.~~
- 3.d    Other loans.** Report the total fair value of all other loans measured at fair value under a fair value option that cannot properly be reported in one of the preceding subitems of this Memorandum item 3. Such loans include “Loans to depository institutions and acceptances of other banks,” “Loans to finance agricultural production and other loans to farmers,” “Obligations (other than securities and leases) of states and political subdivisions in the U.S.,” and “Other loans” (as defined for Schedule RC-C, Part I, items 2, 3, 8, and 9) and, on the FFIEC 031, “Loans to foreign governments and official institutions” (as defined for Schedule RC-C, Part I, item 7).
- 4    Unpaid principal balance of loans measured at fair value (reported in Memorandum item 3).** Report in the appropriate subitem the total unpaid principal balance outstanding for all loans measured at fair value reported in Schedule RC-Q, Memorandum item 3.
- 4.a    Loans secured by real estate.** ~~On the FFIEC 041, r~~Report in the appropriate subitem the total unpaid principal balance outstanding for all loans secured by real estate reported in Schedule RC-Q, Memorandum items 3.a.(1) ~~and through 3.a.(52).~~ ~~On the FFIEC 031, report the total unpaid principal balance outstanding for all loans secured by real estate reported in Schedule RC-Q, Memorandum item 3.a, for the fully consolidated bank in column A, but with a breakdown of these loans into seven categories for domestic offices in column B.~~
- ~~4.a.(1) — **Construction, land development, and other land loans.** Report the total unpaid principal balance outstanding for all construction, land development, and other loans reported in Schedule RC-Q, Memorandum item 3.a.(1).~~
- ~~4.a.(2) — **Secured by farmland.** Report the total unpaid principal balance outstanding for all loans secured by farmland reported in Schedule RC-Q, Memorandum item 3.a.(2).~~
- 4.a.(31)    Secured by 1-4 family residential properties.** Report ~~in the appropriate subitem~~ the total unpaid principal balance outstanding for all loans secured by 1-4 family residential properties reported in Schedule RC-Q, Memorandum item 3.a.(31).
- ~~4.a.(3)(a) — **Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.** Report the total unpaid principal balance outstanding for all revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit reported in Schedule RC-Q, Memorandum item 3.a.(3)(a).~~
- ~~4.a.(3)(b) — **Closed-end loans secured by 1-4 family residential properties.** Report in the appropriate subitem the total unpaid principal balance outstanding for all closed-end loans secured by 1-4 family residential properties reported in Schedule RC-Q, Memorandum item 3.a.(3)(b).~~

**Memoranda****Item No.    Caption and Instructions**

- 4.a.(2)**    ~~**All other loans secured by real estate.** Report the total unpaid principal balance outstanding for all other loans secured by real estate reported in Schedule RC-Q, Memorandum Item 3.a.(2).~~
- 4.a.(3)(b)(1)**    ~~**Secured by first liens.** Report the total unpaid principal balance outstanding for all closed-end loans secured by first liens on 1-4 family residential properties reported in Schedule RC-Q, Memorandum item 3.a.(3)(b)(1).~~
- 4.a.(3)(b)(2)**    ~~**Secured by junior liens.** Report the total unpaid principal balance outstanding for all closed-end loans secured by junior liens on 1-4 family residential properties reported in Schedule RC-Q, Memorandum item 3.a.(3)(b)(2).~~
- 4.a.(4)**    ~~**Secured by multifamily (5 or more) residential properties.** Report the total unpaid principal balance outstanding for all loans secured by multifamily (5 or more) residential properties reported in Schedule RC-Q, Memorandum item 3.a.(4).~~
- 4.a.(5)**    ~~**Secured by nonfarm nonresidential properties.** Report the total unpaid principal balance outstanding for all loans secured by nonfarm nonresidential properties reported in Schedule RC-Q, Memorandum item 3.a.(5).~~
- 4.b**    **Commercial and industrial loans.** Report the total unpaid principal balance outstanding for all commercial and industrial loans reported in Schedule RC-Q, Memorandum item 3.b.
- 4.c**    **Loans to individuals for household, family, and other personal expenditures.** Report ~~in the appropriate subitem~~ the total unpaid principal balance outstanding for all loans to individuals for household, family, and other personal expenditures reported in Schedule RC-Q, Memorandum item 3.c.
- 4.c.(1)**    ~~**Credit cards.** Report the total unpaid principal balance outstanding for all extensions of credit to individuals for household, family, and other personal expenditures arising from credit cards reported in Schedule RC-Q, Memorandum item 3.c.(1).~~
- 4.c.(2)**    ~~**Other revolving credit plans.** Report the total unpaid principal balance outstanding for all extensions of credit to individuals for household, family, and other personal expenditures arising from prearranged overdraft plans and other revolving credit plans not accessed by credit cards reported in Schedule RC-Q, Memorandum item 3.c.(2).~~
- 4.c.(3)**    ~~**Automobile loans.** Report the total unpaid principal balance outstanding for loans arising from retail sales of passenger cars and other vehicles such as minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use reported in Schedule RC-Q, Memorandum item 3.c.(3).~~
- 4.c.(4)**    ~~**Other consumer loans.** Report the total unpaid principal balance outstanding for all other loans to individuals for household, family, and other personal expenditures reported in Schedule RC-Q, Memorandum item 3.c.(4).~~
- 4.d**    **Other loans.** Report the total unpaid principal balance outstanding for all loans reported in Schedule RC-Q, Memorandum item 3.d. Such loans include “Loans to depository institutions and acceptances of other banks,” “Loans to finance agricultural production and other loans to farmers,” “Obligations (other than securities and leases) of states and political subdivisions in the U.S.,” and “Other loans” (as defined for Schedule RC-C, Part I, items 2, 3, 8, and 9) and, on the FFIEC 031, “Loans to foreign governments and official institutions” (as defined for Schedule RC-C, Part I, item 7).

## SCHEDULE RC-S – SERVICING, SECURITIZATION, AND ASSET SALE ACTIVITIES

### General Instructions

Schedule RC-S should be completed on a fully consolidated basis. Schedule RC-S includes information on 1-4 family residential mortgages and other financial assets serviced for others (in Memorandum items 2.a, 2.b, and 2.c). Schedule RC-S also includes information on assets that have been securitized or sold and are not reportable on the balance sheet of the Consolidated Report of Condition, except for credit-enhancing interest-only strips (which are reported in item 2.a of this schedule), subordinated securities and other enhancements (which are reported in items 2.b, 2.e, and 9 and Memorandum items 3.a.(1) and (2)), and seller's interests (which are reported in items 6.a and 6.b).

### Column Instructions

NOTE: Columns A and G only are applicable to institutions filing the FFIEC 041 report form. Columns A through G are applicable to institutions filing the FFIEC 031 report form.

**Column A, 1-4 Family Residential Loans:** 1-4 family residential loans are permanent closed-end loans secured by first or junior liens on 1-to-4 family residential properties as defined for Schedule RC-C, part I, items 1.c.(2)(a) and 1.c.(2)(b).

**Column B, Home Equity Lines:** Home equity lines are revolving, open-end lines of credit secured by 1-to-4 family residential properties as defined for Schedule RC-C, part I, item 1.c.(1).

**Column C, Credit Card Receivables:** Credit card receivables are extensions of credit to individuals for household, family, and other personal expenditures arising from credit cards as defined for Schedule RC-C, part I, item 6.a.

**Column D, Auto Loans:** Auto loans are loans to individuals for the purpose of purchasing private passenger vehicles, including minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use as defined for Schedule RC-C, part I, item 6.c.

**Column E, Other Consumer Loans:** Other consumer loans are loans to individuals for household, family, and other personal expenditures as defined for Schedule RC-C, part I, items 6.b and 6.d.

**Column F, Commercial and Industrial Loans:** Commercial and industrial loans are loans 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, as defined for Schedule RC-C, part I, item 4.

**Column G, All Other Loans, All Leases, and All Other Assets:** On the FFIEC 041, all other loans are loans that cannot properly be reported in Column A of this schedule as defined for Schedule RC-C, part I, items 1.a, 1.b, and 1.d through 9. On the FFIEC 031, all other loans are loans that cannot properly be reported in Columns A through F of this schedule as defined for Schedule RC-C, part I, items 1.a, 1.b, 1.d, 1.e, 2, 3, 7 (on the FFIEC 031 only), 8, and 9. All leases are all lease financing receivables as defined for Schedule RC-C, part I, item 10. All other assets are all assets other than loans and leases, e.g., securities.

For purposes of items 1 through 10 of Schedule RC-S on bank securitization activities and other securitization facilities, information about each separate securitization should be included in only one of the ~~seven~~ columns of this schedule. The appropriate column for a particular securitization should be based on the predominant type of loan, lease, or other asset included in the securitization and this column should be used consistently over time. For example, on the FFIEC 031, a securitization may include auto loans to individuals and to business enterprises. If these auto loans are predominantly loans to individuals, all of the requested information about this securitization should be included in Column D, Auto Loans.

**Item Instructions****Bank Securitization Activities**

~~NOTE: After the effective date of the amendments to ASC Topic 860, Transfers and Servicing, and ASC Subtopic 810-10, Consolidation—Overall, resulting from Accounting Standards Update (ASU) No. 2009-16 (formerly FASB Statement No. 166, “Accounting for Transfers of Financial Assets”) and ASU No. 2009-17 (formerly FASB Statement No. 167, “Amendments to FASB Interpretation No. 46(R)”), respectively, a bank should report information in Schedule RC-S, items 1 through 8, only for those securitizations for which the transferred assets qualify for sale accounting or are otherwise not carried as assets on the bank’s consolidated balance sheet. Thus, if a securitization transaction that qualified for sale accounting prior to the effective date of the amendments to ASC Topic 860 and ASC Subtopic 810-10 must be brought back onto the reporting bank’s consolidated balance sheet upon adoption of these statements, the bank would no longer report information about the securitization in Schedule RC-S, items 1 through 8.~~

**Item No.    Caption and Instructions****1            Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements.**

Report in the appropriate column the principal balance outstanding as of the report date of loans, leases, and other assets which the reporting bank has sold and securitized while:

- (1) retaining the right to service these assets, or
- (2) when servicing has not been retained, retaining recourse or providing other seller-provided credit enhancements to the securitization structure.

Include in column C the amount outstanding of any credit card fees and finance charges that the reporting bank has securitized and sold in connection with its securitization and sale of credit card receivable balances.

Include the principal balance outstanding of loans the reporting bank has (1) pooled into securities that have been guaranteed by the Government National Mortgage Association (Ginnie Mae) and (2) sold with servicing rights retained.

~~Include small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994 that the reporting bank has securitized and sold.~~

~~Exclude the principal balance of loans underlying seller's interests owned by the reporting bank; report the amount of seller's interests in Schedule RC-S, item 6. Also exclude small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994, which are to be reported in Schedule RC-S, Memorandum item 1, below.~~

Do **not** report in this item the outstanding balance of 1-4 family residential mortgages sold to the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) that the government-sponsored agency in turn securitizes. Report 1-4 family residential mortgages sold to Fannie Mae or Freddie Mac with recourse or other seller-provided credit enhancements in Schedule RC-S, item 11, column A, and report the maximum credit exposure arising from the enhancements in item 12, column A. If servicing has been retained on the 1-4 family residential mortgages, report the outstanding principal balance of the mortgages in Schedule RC-S, Memorandum item 2.a or 2.b depending on whether the servicing is performed with or without recourse or other servicer-provided credit enhancements. If the bank has both retained the servicing and provided credit enhancements, report the principal balance of the 1-4 family residential mortgages in Schedule RC-S, item 11, column A, and in Memorandum item 2.a.

**Item No.    Caption and Instructions**

**1**        Exclude securitizations that the reporting bank has accounted for as secured borrowings because the transactions do not meet the criteria for sale accounting under generally accepted accounting principles. The securitized loans, leases, and other assets should continue to be carried as assets on the reporting bank's balance sheet.

(cont.)

**2**        **Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in item 1.** Report in the appropriate ~~column~~ ~~subitem~~ the maximum contractual credit exposure remaining as of the report date under recourse arrangements and other seller-provided credit enhancements provided by the reporting bank to securitization structures reported in Schedule RC-S, item 1, above.

Report the total of:

(1) The carrying value of credit-enhancing interest-only strips included as securities in Schedule RC-B, as other assets in Schedule RC-F, or as trading assets in Schedule RC, item 5, that the reporting bank has retained as credit enhancements in connection with the securitization structures reported in Schedule RC-S, item 1, above.

(2) The carrying value of subordinated securities and other residual interests carried as on-balance sheet assets that the reporting bank has retained in connection with the securitization structures reported in Schedule RC-S, item 1, above.

(3) The unused portion of standby letters of credit and the maximum contractual amount of recourse or other credit exposure not in the form of an on-balance sheet asset that the reporting bank has provided or retained in connection with the securitization structures reported in Schedule RC-S, item 1, above. Include the maximum contractual amount of recourse the bank has retained on the small business obligations transferred with recourse that the reporting bank has securitized and sold, the outstanding principal balance of which was reported in Schedule RC-S, item 1, above.

Do not report as the remaining maximum contractual exposure a reasonable estimate of the probable loss under the recourse arrangements or credit enhancement provisions or the fair value of any liability incurred under such provisions. Furthermore, do not reduce the remaining maximum contractual exposure by the amount of any associated recourse liability account. Report exposure amounts gross rather than net of any tax effects, e.g., any associated deferred tax liability.

Do not include unused portions of commitments that function as liquidity facilities (report such unused commitments in Schedule RC-S, item 3).

~~**2.a**        **Credit-enhancing interest-only strips.** Report in the appropriate column the carrying value of credit-enhancing interest-only strips included as securities in Schedules RC-B, as other assets in Schedule RC-F, or as trading assets in Schedule RC, item 5, that the reporting bank has retained as credit enhancements in connection with the securitization structures reported in Schedule RC-S, item 1, above.~~

~~**2.b**        **Subordinated securities and other residual interests.** Report in the appropriate column the carrying value of subordinated securities and other residual interests carried as on-balance sheet assets that the reporting bank has retained in connection with the securitization structures reported in Schedule RC-S, item 1, above. Exclude retained credit-enhancing interest-only strips, which are to be reported in Schedule RC-S, item 2.a, above.~~

~~**2.c**        **Standby letters of credit and other enhancements.** Report in the appropriate column the unused portion of standby letters of credit and the maximum contractual amount of recourse or other credit exposure not in the form of an on-balance sheet asset that the reporting bank~~



~~has provided or retained in connection with the securitization structures reported in Schedule RC-S, item 1, above.~~

NOTE: On the FFIEC 031 report form, item 3 is to be completed by banks with \$100 billion or more in total assets. Item 3 is not applicable to banks filing the FFIEC 041 report form.

- 3** Reporting bank's unused commitments to provide liquidity to structures reported in item 1. Report in the appropriate column the unused portions of commitments provided by the reporting bank to the securitization structures reported in Schedule RC-S, item 1, above that function as liquidity facilities.
- 4** Past due loan amounts included in item 1. Report in the appropriate subitem the outstanding principal balance of loans, leases, and other assets reported in Schedule RC-S, item 1, above that are 30 days or more past due as of the report date. For purposes of determining whether a loan, lease, or other asset reported in item 1 above is past due, the reporting criteria to be used are the same as those for columns A and B of Schedule RC-N.
- 4.a** 30-89 days past due. Report in the appropriate column the outstanding principal balance of loans, leases, and other assets reported in Schedule RC-S, item 1, above that are 30 to 89 days past due as of the report date.
- 4.b** 90 days or more past due. Report in the appropriate column the outstanding principal balance of loans, leases, and other assets reported in Schedule RC-S, item 1, above that are 90 days or more past due as of the report date.

**Item No.    Caption and Instructions**

- 5        Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date).**  
Report in the appropriate subitem the amount of charge-offs and recoveries during the calendar year to date on loans, leases, and other assets that have been sold and securitized in the securitization structures reported in Schedule RC-S, item 1, above. If a securitization is no longer outstanding as of the report date, i.e., no amount is reported for the securitization in Schedule RC-S, item 1, do not report any year-to-date charge-offs and recoveries for the securitization in Schedule RC-S, items 5.a and 5.b.
- 5.a       Charge-offs.** Report in the appropriate column the amount of loans, leases, and other assets that have been sold and securitized by the reporting bank in the securitization structures reported in Schedule RC-S, item 1, above that have been charged off or otherwise designated as losses by the trustees of the securitizations, or other designated parties, during the calendar year-to-date.
- Include in column C charge-offs or reversals of uncollectible credit card fees and finance charges that had been capitalized into the credit card receivable balances that had been securitized and sold.
- 5.b       Recoveries.** Report in the appropriate column the amount of recoveries of previously charged-off loans, leases, and other assets in the securitization structures reported in Schedule RC-S, item 1, above during the calendar year-to-date.
- Include in column C recoveries of previously charged-off or reversed credit card fees and finance charges that had been capitalized into the credit card receivable balances that had been securitized and sold.
- 6        Amount of ownership (or seller's) interests carried as securities or loans.** Report in the appropriate ~~column subitem~~ the carrying value of the reporting bank's ownership (or seller's) interests associated with the securitization structures reported in Schedule RC-S, item 1, above. Ownership (or seller's) interests may be in the form of securities or loans.
- ~~**-6.a       Securities.** Report in the appropriate column the carrying value of seller's interests in the form of a security that are included as available-for-sale or held-to-maturity securities in Schedule RC-B – Securities – or as trading securities in Schedule RC, item 5, "Trading assets." A seller's interest is in the form of a security only if the seller's interest meets the definition of a security in ASC Topic 320, Investments-Debt and Equity Securities (formerly FASB Statement No. 115, "Accounting for Certain Investments in Debt and Equity Securities").~~
- ~~**-6.b       Loans.** Report in the appropriate column the carrying value of seller's interests not in the form of a security. Such seller's interests are to be reported as loans and included in Schedule RC-C – Loans and Lease Financing Receivables.~~
- ~~**-7-8       Not applicable. Past due loan amounts included in interests reported in item 6.a.** Report in the appropriate subitem the outstanding principal balance of loans underlying the reporting bank's seller's interests reported in Schedule RC-S, item 6.a, above that are 30 days or more past due as of the report date. For purposes of determining whether a loan underlying a seller's interest reported in item 6.a is past due, the reporting criteria to be used are the same as those for columns A and B of Schedule RC-N.~~
- ~~**-7.a       30-89 days past due.** Report in the appropriate column the outstanding principal balance of loans underlying the seller's interests reported in Schedule RC-S, item 6.a, above that are 30-89 days past due as of the report date.~~

**Item No.    Caption and Instructions**

- ~~7.b    **90 days or more past due.** Report in the appropriate column the outstanding principal balance of loans underlying the seller's interests reported in Schedule RC-S, item 6.a, above that are 90 or more days past due as of the report date.~~
- ~~8    **Charge-offs and recoveries on loan amounts included in interests reported in item 6.a (calendar year-to-date).** Report in the appropriate subitem the amount of charge-offs and recoveries during the calendar year to date on loans that had been underlying the seller's interests reported in Schedule RC-S, item 6.a, above.~~
- ~~8.a    **Charge-offs.** Report in the appropriate column the amount of loans that had been underlying the seller's interests reported in Schedule RC-S, item 6.a, above that have been charged off or otherwise designated as losses by the trustees of the securitizations, or other designated parties, during the calendar year to date.~~
- ~~Include in column C the amount of credit card fees and finance charges written off as uncollectible that were attributable to the credit card receivables included in ownership interests reported as securities in item 6.a, column C.~~
- ~~8.b    **Recoveries.** Report in the appropriate column the amount of recoveries of previously charged-off loans that had been underlying the seller's interests reported in Schedule RC-S, item 6.a, above during the calendar year to date.~~
- ~~Include in column C recoveries of previously charged-off or reversed credit card fees and finance charges that had been capitalized into the credit card receivable balances that had been securitized and sold.~~

**For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions**

- 9    Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements.** Report in the appropriate column the maximum contractual credit exposure remaining as of the report date under credit enhancements provided by the reporting bank to securitization structures sponsored by or otherwise established by other institutions or entities, i.e., securitizations not reported in Schedule RC-S, item 1, above. Report the unused portion of standby letters of credit, the carrying value of purchased subordinated securities and purchased credit-enhancing interest-only strips, and the maximum contractual amount of credit exposure arising from other on- and off-balance sheet credit enhancements that provide credit support to these securitization structures. Do not report as the remaining maximum contractual exposure a reasonable estimate of the probable loss under credit enhancement provisions or the fair value of any liability incurred under such provisions.

Furthermore, do not reduce the remaining maximum contractual exposure by the amount of any associated recourse liability account. Report exposure amounts gross rather than net of any tax effects, e.g., any associated deferred tax liability.

Exclude the amount of credit exposure arising from loans, leases, and other assets that the reporting bank has sold with recourse or other seller-provided credit enhancements to other institutions or entities, which then securitized the loans, leases, and other assets purchased from the bank (report this exposure in Schedule RC-S, item 12, below). Also exclude the amount of credit exposure arising from credit enhancements provided to asset-backed commercial paper conduits (report this exposure in Schedule RC-S, Memorandum item 3.a, if applicable).

**Item No.    Caption and Instructions**

NOTE: Item 10 is to be completed by banks with \$10 billion or more in total assets.

- 10        Reporting bank’s unused commitments to provide liquidity to other institutions’ securitization structures.** Report in the appropriate column the unused portions of commitments provided by the reporting bank that function as liquidity facilities to securitization structures sponsored by or otherwise established by other institutions or entities, i.e., securitizations not reported in Schedule RC-S, item 1, above. Exclude the amount of unused commitments to provide liquidity to asset-backed commercial paper conduits (report this amount in Schedule RC-S, Memorandum item 3.b, if applicable).

**Bank Asset Sales**

- 11        Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank.** Report in the appropriate column the unpaid principal balance as of the report date of loans, leases, and other assets, which the reporting bank has sold with recourse or other seller-provided credit enhancements, but which were not securitized by the reporting bank. Include loans, leases, and other assets that the reporting bank has sold with recourse or other seller-provided credit enhancements to other institutions or entities, whether or not the purchaser has securitized the loans and leases purchased from the bank. Include 1-4 family residential mortgages that the reporting bank has sold to the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) with recourse or other seller-provided credit enhancements.

~~Exclude~~ small business obligations transferred with recourse under Section 208 of the [Riegle Community Development and Regulatory Improvement Act of 1994](#), which ~~the reporting bank has sold, but which were not securitized by the reporting bank~~ are to be reported in Schedule RC-S, Memorandum item 1, below.

- 12        Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in item 11.** Report in the appropriate column the maximum contractual credit exposure remaining as of the report date under recourse arrangements or other seller-provided credit enhancements provided by the reporting bank in connection with its sales of the loans, leases, and other assets reported in Schedule RC-S, item 11, above. Report the unused portion of standby letters of credit, the carrying value of retained interests, and the maximum contractual amount of recourse or other credit exposure arising from other on- and off-balance sheet credit enhancements that the reporting bank has provided. Do not report as the remaining maximum contractual exposure a reasonable estimate of the probable loss under the recourse arrangements or credit enhancement provisions or the fair value of any liability incurred under such provisions. Furthermore, do not reduce the remaining maximum contractual exposure by the amount of any associated recourse liability account. Report exposure amounts gross rather than net of any tax effects, e.g., any associated deferred tax liability.

Include the maximum contractual amount of recourse the bank has retained on small business obligations transferred with recourse that the reporting bank has sold, but not securitized, the unpaid principal balance of which was reported in Schedule RC-S, item 11, above.

**Memoranda****Item No.    Caption and Instructions**

~~1        **Not applicable. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994.** Report in the appropriate subitem the outstanding principal balance of and recourse exposure on small business loans and leases on personal property (small business obligations) which the bank has transferred with recourse during the time the bank was a "qualifying institution" and did not exceed the retained recourse limit set forth in banking agency regulations implementing Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994. Transfers of small business obligations with recourse that were consummated during such a time should be reported as sales for Call Report purposes if the transactions are treated as sales under generally accepted accounting principles (GAAP) and the institution establishes a recourse liability account that is sufficient under GAAP.~~

~~1.a      **Outstanding principal balance.** Report the principal balance outstanding as of the report date for small business obligations which the bank has transferred with recourse while it was a "qualifying institution" and did not exceed the retained recourse limit.~~

~~1.b      **Amount of retained recourse on these obligations as of the report date.** Report the maximum contractual amount of recourse the bank has retained on the small business obligations whose outstanding principal balance was reported in Schedule RC-S, Memorandum item 1.a, above, not a reasonable estimate of the probable loss under the recourse provision and not the fair value of the liability incurred under this provision. Furthermore, the remaining maximum contractual exposure should not be reduced by the amount of any associated recourse liability account. The amount of recourse exposure to be reported should not include interest payments the bank has advanced on delinquent obligations. For small business obligations transferred with full (unlimited) recourse, the amount of recourse exposure to be reported is the outstanding principal balance of the obligations as of the report date. For small business obligations transferred with limited recourse, the amount of recourse exposure to be reported is the maximum amount of principal the transferring bank would be obligated to pay the holder of the obligations in the event the entire outstanding principal balance of the obligations transferred becomes uncollectible.~~

**2        Outstanding principal balance of assets serviced for others.** Report in the appropriate subitem the outstanding principal balance of loans and other financial assets the bank services for others, regardless of whether the servicing involves whole loans and other financial assets or only portions thereof, as is typically the case with loan participations. An institution should report the outstanding principal balance of assets for which it is the contractual servicer of record without regard to any subservicing agreements applicable to the assets.

Include (1) the principal balance of loans and other financial assets owned by others for which the reporting bank has purchased the servicing (i.e., purchased servicing) and (2) the principal balance of loans and other financial assets that the reporting bank has either originated or purchased and subsequently sold, whether or not securitized, but for which it has retained the servicing duties and responsibilities (i.e., retained servicing). If the bank services a portion of a loan or other financial asset for one or more other parties and owns the remaining portion of the loan or other financial asset, report only the principal balance of the portion of the asset serviced for others.

A bank should report in Memorandum items 2.a through 2.d retained servicing only for those transferred assets or portions of transferred assets properly reported as sold in accordance with applicable generally accepted accounting principles as well as purchased servicing.

**Memoranda****Item No.    Caption and Instructions**

NOTE: Memorandum items 3.a.(1) through 3.b.(2) are to be completed by banks with \$10 billion or more in total assets.

- 3        Asset-backed commercial paper conduits.** Report the requested information on credit enhancements and liquidity facilities provided to asset-backed commercial paper conduits in Memorandum items 3.a and 3.b, respectively, regardless of whether the reporting bank must consolidate the conduit for reporting purposes in accordance with ASC Subtopic 810-10, Consolidation – Overall (formerly FASB Statement No. 167, “Amendments to FASB Interpretation No.46(R)”).
- 3.a       Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements.** Report in the appropriate subitem the maximum contractual credit exposure remaining as of the report date under standby letters of credit, subordinated securities, and other credit enhancements provided by the reporting bank to asset-backed commercial paper conduit structures. Do not report in these subitems a reasonable estimate of the probable loss under the credit enhancement provisions or the fair value of any liability incurred under such provisions.
- 3.a.(1)   Conduits sponsored by the bank, a bank affiliate, or the bank’s holding company.** Report the unused portion of standby letters of credit, the carrying value of subordinated securities, and the maximum contractual amount of credit exposure arising from other credit enhancements that the reporting bank has provided to asset-backed commercial paper conduit structures sponsored by the reporting bank, an affiliate of the reporting bank, or the reporting bank’s holding company.
- 3.a.(2)   Conduits sponsored by other unrelated institutions.** Report the unused portion of standby letters of credit, the carrying value of subordinated securities, and the maximum contractual amount of credit exposure arising from other credit enhancements that the reporting bank has provided to asset-backed commercial paper conduit structures *other than those* sponsored by the reporting bank, an affiliate of the reporting bank, or the reporting bank’s holding company.
- 3.b       Unused commitments to provide liquidity to conduit structures.** Report in the appropriate subitem the unused portions of commitments provided by the reporting bank that function as liquidity facilities to asset-backed commercial paper conduit structures. Typically, these facilities take the form of a *Backstop Line (Loan Agreement)* or an *Asset Purchase Agreement*. Under a backstop line, the reporting bank advances funds to the conduit when a draw is required under the liquidity facility. The advance is secured by the cash flow of the underlying asset pools. Under an asset purchase agreement, the reporting bank purchases a specific pool of assets from the conduit when a draw is required under the liquidity facility. Typically, the reporting bank is repaid from the cash flow on the purchased assets or from the sale of the purchased pool of assets.
- 3.b.(1)   Conduits sponsored by the bank, a bank affiliate, or the bank’s holding company.** Report the unused portions of commitments provided by the reporting bank that function as liquidity facilities to asset-backed commercial paper conduit structures sponsored by the reporting bank, an affiliate of the reporting bank, or the reporting bank’s holding company.
- 3.b.(2)   Conduits sponsored by other unrelated institutions.** Report the unused portions of commitments provided by the reporting bank that function as liquidity facilities to asset-backed commercial paper conduit structures *other than those* sponsored by the reporting bank, an affiliate of the reporting bank, or the reporting bank’s holding company.

**Memoranda****Item No. Caption and Instructions**

NOTE: Memorandum item 4 is to be completed only by those banks with \$10 billion or more in total assets that:

(1) either individually or on a combined basis with their affiliated depository institutions, report outstanding credit card receivables that exceed, in the aggregate, \$500 million as of the report date. On the FFIEC 041, Outstanding credit card receivables are the sum of:

(a) Schedule RC-C, part I, item 6.a, ~~column B on the FFIEC 041, column A on the FFIEC 031~~;

(b) credit card receivables included in Schedule RC-S, item 1, column ~~CG~~;

(c) credit card receivables included in Schedule RC-S, item 6-a, column ~~CG~~.

On the FFIEC 031, outstanding credit card receivables are the sum of:

(a) Schedule RC-C, part I, item 6.a, column A;

(b) Schedule RC-S, item 1, column C; and

(c) Schedule RC-S, item 6, column C.

(Include comparable data on managed credit card receivables for any affiliated depository institution.)

OR

(2) are credit card specialty banks as defined for purposes of the Uniform Bank Performance Report (UBPR). According to the UBPR Users Guide, credit card specialty banks are currently defined as those banks that exceed 50% for the following two criteria:

(a) Credit Cards plus Securitized and Sold Credit Cards divided by Total Loans plus Securitized and Sold Credit Cards.

(b) Total Loans plus Securitized and Sold Credit Cards divided by Total Assets plus Securitized and Sold Credit Cards.

**4** **Outstanding credit card fees and finance charges.** Report the amount outstanding of credit card fees and finance charges that the bank has securitized and sold in connection with its securitization and sale of the credit card receivables reported in Schedule RC-S, item 1, column G on the FFIEC 041; column C on the FFIEC 031.

## SCHEDULE RC-T – FIDUCIARY AND RELATED SERVICES

### General Instructions

This schedule should be completed on a fully consolidated basis, i.e., including any trust company subsidiary (or subsidiaries) of the reporting institution. For report dates through December 31, 2008, the information reported in Schedule RC-T on fiduciary and related services income (except total gross fiduciary and related services income) and on fiduciary settlements, surcharges, and other losses will not be made available to the public on an individual institution basis. Beginning with the March 31, 2009, report date, all of the information reported in Schedule RC-T for each bank will be publicly available.

### Item No.    Caption and Instructions

- 1        **Does the institution have fiduciary powers?** Federally-chartered institutions granted trust powers by the OCC to administer accounts in a fiduciary capacity should answer "Yes." State-chartered institutions should answer "Yes" if (a) the state has granted trust powers to the institution to offer fiduciary services as defined by the state **and** (b) the institution's federal supervisory agency (the FDIC or the Federal Reserve) has granted consent to exercise the trust powers (see Sections 333.2 and 333.101 of the FDIC's regulations and Federal Reserve Regulation H). Institutions with trust company subsidiaries should also answer "Yes." Institutions responding "No" should not complete the remainder of this schedule. Fiduciary capacity generally means trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, custodian under a uniform gifts to minors act, investment adviser (if the institution receives a fee for its investment advice), any capacity in which the institution possesses investment discretion on behalf of another, or any other similar capacity.
- 2        **Does the institution exercise the fiduciary powers it has been granted?** Institutions exercising their fiduciary powers should respond "Yes." Exercising fiduciary powers means that an institution, or a trust company subsidiary of the institution, serves in a fiduciary capacity as defined in the instructions for item 1 of this schedule.
- 3        **Does the institution have fiduciary or related activity (in the form of assets or accounts) to report in this schedule?** Institutions (including their trust company subsidiaries) with fiduciary assets, accounts, income, or other reportable fiduciary related services should respond "Yes." Institutions responding "No" should not complete the remainder of this schedule.

Reportable fiduciary and related services include activities that do not require trust powers but are incidental to fiduciary services. Specifically, this includes custodial services for assets held by the institution in a fiduciary capacity. An institution should report custodial activities that are offered through the fiduciary business unit or through another distinct business unit that is devoted to institutional custodial services. Institutions should exclude those custodial and escrow activities related to commercial bank services such as hold-in-custody repurchase assets, escrow assets held for the benefit of third parties, safety deposit box assets, and any other similar commercial arrangement.

Institutions with fiduciary activities that are limited to only land trusts and/or custodial activity for mortgage-backed securities (such as GNMA or FNMA) should respond "No."

If the answer to item 3 is "Yes," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (item 10, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services



**Item No.    Caption and Instructions**

**3**            income greater than 10 percent of revenue (net interest income plus noninterest income) for  
(cont.)        the preceding calendar year must complete:

- Items 4 through 22 on the FFIEC 041 quarterly; items 4 through 22.a on the FFIEC 031 quarterly;
- Items 23 through 26 annually with the December report;
- Memorandum item 3 quarterly; and
- Memorandum items 1, 2, and 4 annually with the December report.

~~Institutions with total fiduciary assets (item 10, sum of columns A and B) greater than \$100 million but less than \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:~~

- ~~• —Items 4 through 26 annually with the December report; and~~
- ~~• Memorandum items 1 through 4 annually with the December report.~~

Institutions with total fiduciary assets (item 10, sum of columns A and B) of ~~\$100-250~~ million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 13 annually with the December report; and
- Memorandum items 1 through 3 annually with the December report.

In addition, institutions with total fiduciary assets greater than \$100 million but less than or equal to \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must also complete Memorandum item 4 annually with the December report.

**Fiduciary and Related Assets**

Institutions should generally report fiduciary and related assets using their market value as of the report date. While market value quotations are readily available for marketable securities, many financial and physical assets held in fiduciary accounts are not widely traded or easily valued. If the methodology for determining market values is not set or governed by applicable law (including the terms of the prevailing fiduciary agreement), the institution may use any reasonable method to establish values for fiduciary and related assets for purposes of reporting on this schedule. Reasonable methods include appraised values, book values, or reliable estimates. Valuation methods should be consistent from reporting period to reporting period. This "reasonable method" approach to reporting market values applies both to financial assets that are not marketable and to physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods.

Only those Individual Retirement Accounts, Keogh Plan accounts, Health Savings Accounts, and similar accounts offered through a fiduciary business unit of the reporting institution should be reported in Schedule RC-T. When such accounts are not offered through an institution's fiduciary business unit, they should not be reported in Schedule RC-T. Accounts that consist solely of deposits in the bank itself should not be reported in Schedule RC-T.

If two institutions are named co-fiduciary in the governing instrument, both institutions should report the account. In addition, where one institution contracts with another for fiduciary or related services (i.e., Bank A provides custody services to the trust accounts of Bank B, or Bank A provides investment management services to the trust accounts of Bank B), both institutions should report the accounts in their respective capacities.

Exclude unfunded insurance trusts, testamentary executor appointments, and any other arrangements representing potential future fiduciary accounts.

Asset values reported on this schedule should generally exclude liabilities. For example, an employee benefit account with associated loans against account assets should be reported gross of the outstanding

**Memoranda****Item No.    Caption and Instructions**

- 2.b        Transfer agent, registrar, paying agent, and other corporate agency.** Report in column A the total number of issues for which the institution acts in a corporate agency capacity. Include the total number of equity, debt, and mutual fund issues for which the institution acts as transfer agent or registrar, regardless of whether the transfer agent is registered with its appropriate regulatory agency. Separate classes of a mutual fund should be consolidated and reflected as a single issue. Include the total number of stock or bond issues for which the institution disburses dividend or interest payments. Also include the total number of issues of any other corporate appointments that are performed by the institution through its fiduciary capacity. Issues for which the institution serves in a dual capacity should be reported once. Corporate and municipal trusteeships reported in Schedule RC-T, Memorandum item 2.a, above, in which the institution also serves as transfer agent, registrar, paying agent, or other corporate agency capacity should not be included in Memorandum item 2.b. Include only those agency appointments that do not relate to issues reported in Schedule RC-T, Memorandum item 2.a, above.

**NOTE:** Memorandum items 3.a through 3.g are to be completed by those institutions at which the total market value of the assets held in Collective Investment Funds (CIFs) and Common Trust Funds (CTFs) administered by the reporting institution (Memorandum item 3.h, column B) was \$1 billion or more as of the preceding December 31. Memorandum item 3.h is to be completed by all institutions.

- 3            Collective investment funds and common trust funds.** Report in the appropriate subitem the number of funds and the market value of the assets held in Collective Investment Funds (CIFs) and Common Trust Funds (CTFs) administered by the reporting institution. CIFs and CTFs are funds that banks are authorized to administer by Section 9.18 of the Office of the Comptroller of the Currency's regulations or comparable state regulations. If an institution operates a CIF that is used by more than one institution, the entire CIF should be reported in this section only by the institution that operates the CIF. Exclude mutual funds from this section. Each CIF and CTF should be reported in the subitem that best fits the fund type.
- 3.a        Domestic equity.** Report funds investing primarily in U.S. equities. Include funds seeking growth, income, growth and income; U.S. index funds; and funds concentrating on small, mid, or large cap domestic stocks. Exclude funds specializing in a particular sector (e.g., technology, health care, financial, and real estate), which should be reported in Schedule RC-T, Memorandum item 3.g, "Specialty/Other."
- 3.b        International/Global equity.** Report funds investing exclusively in equities of issuers located outside the U.S. and those funds representing a combination of U.S. and foreign issuers. Include funds that specialize in a particular country, region, or emerging market.
- 3.c        Stock/Bond blend.** Report funds investing in a combination of equity and bond investments. Include funds with a fixed allocation along with those having the flexibility to shift assets between stocks, bonds, and cash.
- 3.d        Taxable bond.** Report funds investing in taxable debt securities. Include funds that specialize in U.S. Treasury and U.S. Government agency debt, investment grade corporate bonds, high-yield debt securities, mortgage-related securities, and global, international, and emerging market debt funds. Exclude funds that invest in municipal bonds, which should be reported in Schedule RC-T, Memorandum item 3.e, and funds that qualify as short-term investments, which should be reported in Schedule RC-T, Memorandum item 3.f.
- 3.e        Municipal bond.** Report funds investing in debt securities issued by states and political subdivisions in the U.S. Such securities may be taxable or tax-exempt. Include funds that invest in municipal debt issues from a single state. Exclude funds that qualify as short-term investments, which should be reported in Schedule RC-T, Memorandum item 3.f.

**Memoranda****Item No.    Caption and Instructions**

- 3.f    Short-term investments/Money market.** Report funds subject to the provisions of Section 9.18(b)(4)(ii)(B) of the Office of the Comptroller of the Currency's regulations or comparable state regulations that invest in short-term money market instruments. Money market instruments may include U.S. Treasury bills, commercial paper, bankers acceptances, and repurchase agreements. Include taxable and nontaxable funds.
- 3.g    Specialty/Other.** Include funds that specialize in equity securities of particular sectors (e.g., technology, health care, financial, and real estate). Also include funds that do not fit into any of the above categories.
- 3.h    Total collective investment funds.** For institutions that complete Memorandum items 3.a through 3.g, Report the sum of Memorandum items 3.a- through 3.g. For all other institutions, report the total number of funds and the total market value of the assets held in Collective Investment Funds and Common Trust Funds administered by the reporting institution.
- 4    Fiduciary settlements, surcharges, and other losses.** Report aggregate **gross** settlements, surcharges, and other losses arising from errors, misfeasance, or malfeasance on managed accounts in column A and on non-managed accounts in column B. For the definitions of managed and non-managed accounts, refer to the instructions for the Fiduciary and Related Assets section of this schedule. **Gross** losses should reflect losses recognized on an accrual basis before recoveries or insurance payments. If the institution enters into a "fee reduction" or "fee waiver" agreement with a client as the method for reimbursing or compensating the client for a loss on the client's fiduciary or related services account arising from an error, misfeasance, or malfeasance, the full amount of this loss must be recognized on an accrual basis and included in the gross losses reported in the appropriate subitem and column of this Memorandum item 4. An institution should not report such a loss as a reduction of the gross income from fiduciary and related services it reports in Schedule RC-T, items 14 through 22, and Schedule RI, item 5.a, "Income from fiduciary activities," in the current or future periods when the "fee reduction" or "fee waiver" takes place. (See the example after the instructions to Schedule RC-T, Memorandum item 4.e.)
- Exclude contingent liabilities for fiduciary-related loss contingencies, including pending or threatened litigation, for which a loss has not yet been recognized in accordance with ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, "Accounting for Contingencies").
- Report recoveries (including those from insurance payments) in column C. Recoveries may be for current or prior years' losses and should be reported when payment is actually realized. The filing of an insurance claim does not serve as support for a recovery.
- For report dates through December 31, 2008, the information reported on fiduciary settlements, surcharges, and other losses will not be made available to the public on an individual institution basis. Beginning with the March 31, 2009, report date, all of the information reported in Schedule RC-T for each bank will be publicly available.
- 4.a    Personal trust and agency accounts.** Report gross losses and recoveries for personal trust and agency accounts as defined for item 4 of this schedule.
- 4.b    Employee benefit and retirement-related trust and agency accounts.** Report gross losses and recoveries for employee benefit and retirement-related trust and agency accounts as defined for item 5 of this schedule.

## SCHEDULE RC-V – VARIABLE INTEREST ENTITIES

### General Instructions

A variable interest entity (VIE), as described in ASC Topic 810, Consolidation (formerly FASB Interpretation No.46 (revised December 2003), "Consolidation of Variable Interest Entities," as amended by FASB Statement No. 167, "Amendments to FASB Interpretation No. 46(R)"), is an entity in which equity investors do not have sufficient equity at risk for that entity to finance its activities without additional subordinated financial support or, as a group, the holders of the equity investment at risk lack one or more of the following three characteristics: (a) the power, through voting rights or similar rights, to direct the activities of an entity that most significantly impact the entity's economic performance, (b) the obligation to absorb the expected losses of the entity, or (c) the right to receive the expected residual returns of the entity.

Variable interests in a VIE are contractual, ownership, or other pecuniary interests in an entity that change with changes in the fair value of the entity's net assets exclusive of variable interests. When a bank or other company has a variable interest or interests in a VIE, ASC Topic 810 provides guidance for determining whether the bank or other company must consolidate the VIE. If a bank or other company has a controlling financial interest in a VIE, it is deemed to be the primary beneficiary of the VIE and, therefore, must consolidate the VIE. For further information, see the Glossary entry for "variable interest entity."

Schedule RC-V collects information on VIEs that have been consolidated by the reporting bank for purposes of the Consolidated Reports of Condition and Income because the bank or a consolidated subsidiary is the primary beneficiary of the VIE. Schedule RC-V should be completed on a fully consolidated basis, i.e., after eliminating intercompany transactions. The asset and liability amounts to be reported in Schedule RC-V should be the same amounts at which these assets and liabilities are reported on Schedule RC, Balance Sheet, e.g., held-to-maturity securities should be reported at amortized cost and available-for-sale securities should be reported at fair value.

### Column Instructions

**Column A, Securitization Vehicles:** Securitization vehicles include VIEs that have been created to pool and repackage mortgages, other assets, or other credit exposures into securities that can be transferred to investors.

~~**Column B, ABCP Conduits:** Asset-backed commercial paper (ABCP) conduits include VIEs that primarily issue externally rated commercial paper backed by assets or other exposures.~~

**Column CB, Other VIEs:** Other VIEs ~~include~~are VIEs other than securitization vehicles, ~~and ABCP conduits.~~

For purposes of Schedule RC-V, information about each consolidated VIE should be included in only one of the ~~three~~two columns of the schedule. The column selected for a particular consolidated VIE should be based on the purpose and design of the VIE and this column should be used consistently over time.

**Item Instructions****Item No.    Caption and Instructions**

- 1    Assets of consolidated variable interest entities (VIEs) that can be used only to settle obligations of the consolidated VIEs.** Report in the appropriate subitem and column those assets of consolidated VIEs reported in Schedule RC, Balance Sheet, that can be used only to settle obligations of the same consolidated VIEs and any related allowance for loan and lease losses. Exclude assets of consolidated VIEs that cannot be used only to settle obligations of the same consolidated VIEs (report such assets in Schedule RC-V, item 3, below).
- 1.a    Cash and balances due from depository institutions.** Report in the appropriate column the amount of cash and balances due from depository institutions held by consolidated VIEs included in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and item 1.b, "Interest-bearing balances," that can be used only to settle obligations of the same consolidated VIEs.
- 1.b    Held-to-maturity securities not held for trading.** Report in the appropriate column the total amount of held-to-maturity securities and available-for-sale securities held by consolidated VIEs included in Schedule RC, item 2.a, "Held-to-maturity securities," and item 2.b, "Available-for-sale securities," respectively, that can be used only to settle obligations of the same consolidated VIEs.
- ~~**1.c.    Available-for-sale securities.** Report in the appropriate column the amount of available-for-sale securities held by consolidated VIEs included in Schedule RC, item 2.b, "Available-for-sale securities," that can be used only to settle obligations of the same consolidated VIEs.~~
- ~~**1.d    Securities purchased under agreements to resell.** Report in the appropriate column the amount of securities purchased under agreements to resell held by consolidated VIEs included in Schedule RC, item 3.b, "Securities purchased under agreements to resell," that can be used only to settle obligations of the same consolidated VIEs.~~
- 1.ec    Loans and leases held for investment, net of allowance, and held for sale.** Report in the appropriate column the total of the amount of loans and leases held for sale and held for investment held by consolidated VIEs included in Schedule RC, item 4.a, "Loans and leases held for sale," and item 4.b, "Loans and leases held for investment," respectively, that can be used only to settle obligations of the same consolidated VIEs, less the amount of allowances for loan and lease losses held by consolidated VIEs included in Schedule RC, item 4.c, "LESS: Allowance for loan and lease losses," that is allocated to these consolidated VIEs' loans and leases held for investment that can be used only to settle obligations of the same consolidated VIEs.
- ~~**1.f.    Loans and leases held for investment.** Report in the appropriate column the amount of loans and leases held for investment by consolidated VIEs included in Schedule RC, item 4.b, "Loans and leases held for investment," that can be used only to settle obligations of the same consolidated VIEs.~~
- ~~**1.g    Less: Allowance for loan and lease losses.** Report in the appropriate column the amount of the allowance for loan and lease losses held by consolidated VIEs included in Schedule RC, item 4.c, "LESS: Allowance for loan and lease losses," that is allocated to these consolidated VIEs' loans and leases held for investment that can be used only to settle obligations of the same consolidated VIEs and are reported in Schedule RC-V, item 1.f, above.~~
- ~~**1.h    Trading assets (other than derivatives).** Report in the appropriate column the amount of trading assets (other than derivatives) held by consolidated VIEs included in Schedule RC, item 5, "Trading assets," that can be used only to settle obligations of the same consolidated VIEs.~~

**Item No.    Caption and Instructions**

- ~~1.i~~ ~~**Derivative trading assets.** Report in the appropriate column the amount of derivative trading assets held by consolidated VIEs included in Schedule RC, item 5, "Trading assets," that can be used only to settle obligations of the same consolidated VIEs.~~
- 1.jd** **Other real estate owned.** Report in the appropriate column the amount of other real estate owned held by consolidated VIEs included in Schedule RC, item 7, "Other real estate owned," that can be used only to settle obligations of the same consolidated VIEs.
- 1.ke** **Other assets.** Report in the appropriate column the amount of all other assets held by consolidated VIEs included in Schedule RC, item 12, "Total assets," and not reported in Schedule RC-V, items 1.a through 1.jd, above, that can be used only to settle obligations of the same consolidated VIEs.
- 2** **Liabilities of consolidated VIEs for which creditors do not have recourse to the general credit of the reporting bank.** Report in the appropriate subitem and column those liabilities of consolidated VIEs reported in Schedule RC, Balance Sheet, for which creditors do not have recourse to the general credit of the reporting bank. Exclude liabilities of consolidated VIEs for which creditors have recourse to the general credit of the reporting bank (report such liabilities in Schedule RC-V, item 4, below).
- ~~2.a~~ ~~**Securities sold under agreements to repurchase.** Report in the appropriate column the amount of securities sold under agreements to repurchase by consolidated VIEs reported in Schedule RC, item 14.b, "Securities sold under agreements to repurchase," for which the holders of these repurchase agreements do not have recourse to the general credit of the reporting bank.~~
- ~~2.b~~ ~~**Derivative trading liabilities.** Report in the appropriate column the amount of derivative trading liabilities of consolidated VIEs reported in Schedule RC, item 15, "Trading liabilities," for which the derivative counterparties do not have recourse to the general credit of the reporting bank.~~
- ~~2.c~~ ~~**Commercial paper.** Report in the appropriate column the amount of commercial paper issued by consolidated VIEs reported in Schedule RC, item 16, "Other borrowed money," for which the holders of this commercial paper do not have recourse to the general credit of the reporting bank.~~
- 2.da** **Other borrowed money (exclude commercial paper).** Report in the appropriate column the amount of other borrowed money (other than including commercial paper) of consolidated VIEs reported in Schedule RC, item 16, "Other borrowed money," for which the creditors on these borrowings do not have recourse to the general credit of the reporting bank.
- 2.eb** **Other liabilities.** Report in the appropriate column the amount of all other liabilities of consolidated VIEs included in Schedule RC, item 21, "Total liabilities," and not reported in Schedule RC-V, items 2.a through 2.d, above, for which the creditors on these liabilities do not have recourse to the general credit of the reporting bank.
- 3** **All other assets of consolidated VIEs.** Report in the appropriate column the amount of assets of consolidated VIEs reported in Schedule RC, items 1 through 11, that have not been included in Schedule RC-V, items 1.a through 1.ke, above. Loans and leases held for investment that are included in this item should be reported net of any allowance for loan and lease losses allocated to these loans and leases.

**Item No.    Caption and Instructions**

**4**        **All other liabilities of consolidated VIEs.** Report in the appropriate column the amount of liabilities of consolidated VIEs reported in Schedule RC, items 14 through 20, that have not been included in Schedule RC-V, items 2.a ~~through~~ and 2.e**b**, above.

**5**        **Total assets of asset-backed commercial paper (ABCP) conduit VIEs.** Report the total assets of consolidated ABCP conduit VIEs, i.e., VIEs that primarily issue externally rated commercial paper backed by assets or other exposures. Include assets held by consolidated ABCP conduit VIEs that are included in Schedule RC-V, items 1.a through 1.e and 3, column B, above.

**6**        **Total liabilities of ABCP conduit VIEs.** Report the total liabilities of consolidated ABCP conduit VIEs. Include liabilities of ABCP conduit VIEs that are included in Schedule RC-V, items 2.a, 2.b, and 4, column B, above.