FFIEC 051
Draft Instructions for Call Report Revisions
Effective as of the September 30, 2023, Report Date

The following draft instructions, which are subject to change, present the pages from the FFIEC 051 Call Report instructions as they are proposed to be revised, subject to final approval by the Office of Management and Budget. These proposed revisions are described in the federal banking agencies' initial Paperwork Reduction Act (PRA) Federal Register notice published in the Federal Register on February 21, 2023 (see FIL-7-2023, dated February 22, 2023). As discussed in the agencies' final PRA Federal Register notice published in the Federal Register on June 13, 2023, the agencies are proceeding with the revisions to the FFIEC 051 Call Report, with certain modifications.

In addition, certain clarifications are being made to the instructions on Schedule RC-T, Fiduciary and Related Services, that are included in the following pages.

The initial and final PRA Federal Register notice and draft redlined instructions for these proposed revisions to the FFIEC 051 Call Report are available on the FFIEC webpage for the FFIEC 051 Call Report.

Schedule	Description	Pages
RI – Income Statement	Memorandum item 12. Noncash income from negative amortization on closed-end loans secured by 1–4 family RIAD Amount residential properties (included in Schedule RI, item 1.a.(1)(a))	3
RC-C—Loans and Lease Financing Receivables, Part I	Memorandum item 15.a.(1) through 15.c.(2). Reverse mortgages in domestic offices	4-5
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RC-M – Memoranda	18. Money Market Mutual Fund Liquidity Facility (MMLF): a. Outstanding balance of assets purchased under the MMLF b. Quarterly average amount of assets purchased under the MMLF and excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30	7
RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets	11. Loans and leases reported in items 1 through 8 above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC	9
RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets	12. Portion of covered loans and leases included in item 9 above that is protected by FDIC loss-sharing agreements Note: Schedule SU, items 9.b and 9.c are redesignated as Schedule RC-N, item 12, columns B and C.	9
SU – Supplemental Information	9. FDIC Loss-Sharing Agreements	10-11
RC-T – Fiduciary and Related Services	Clarifications	12-16

Memoranda

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~~NOTE: Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, Part I, Memorandum items 8.b and 8.c, and is to be completed annually as of the December 31 report date.~~

~~**12**~~ ~~**Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties.** Report the amount of noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (i.e., interest income accrued and uncollected that has been added to principal) included in interest and fee income on loans secured by real estate (Schedule RI, item 1.a.(1)).~~

~~Negative amortization refers to a method in which a loan is structured so that the borrower's minimum monthly (or other periodic) payment is contractually permitted to be less than the full amount of interest owed to the lender, with the unpaid interest added to the loan's principal balance. The contractual terms of the loan provide that if the borrower allows the principal balance to rise to a pre-specified amount or maximum cap, the loan payments are then recast to a fully amortizing schedule. Negative amortization features may be applied to either adjustable rate mortgages or fixed rate mortgages, the latter commonly referred to as graduated payment mortgages (GPMs).~~

12 and **13** Not applicable.

NOTE: Memorandum item 14 is to be completed only by institutions that have not adopted FASB Accounting Standards Update No. 2016-13 (ASU 2016-13), which governs the accounting for credit losses. Institutions that have adopted ASU 2016-13 should leave Memorandum item 14 blank.

14 **Other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities recognized in earnings.** Report the amount of other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities that have been recognized in earnings during the calendar year to date as discussed in the following paragraphs. This amount is included in the realized gains (losses) on held-to-maturity and available-for-sale securities reported in Schedule RI, items 6.a and 6.b, respectively.

When the fair value of an individual held-to-maturity or available-for-sale debt security is less than its amortized cost basis, the security is impaired and the impairment is either temporary or other-than-temporary. To determine whether the impairment is other-than-temporary, a bank must apply the relevant guidance in ASC Topic 320, Investments-Debt Securities (formerly FASB Statement No. 115, "Accounting for Certain Investments in Debt and Equity Securities," as amended by FASB Staff Position (FSP) FAS 115-1 and FAS 124-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments," and FSP FAS 115-2 and FAS 124-2, "Recognition and Presentation of Other-Than-Temporary Impairments") and ASC Subtopic 325-40, Investments-Other – Beneficial Interests in Securitized Financial Assets (formerly Emerging Issues Task Force (EITF) Issue No. 99-20, "Recognition of Interest Income and Impairment on Purchased Beneficial Interests and Beneficial Interests That Continue to Be Held by a Transferor in Securitized Financial Assets," as amended by FSP EITF 99-20-1, "Amendments to the Impairment Guidance of EITF Issue No. 99-20"), as appropriate.

When an other-than-temporary impairment loss has occurred on an individual debt security, the total amount of the loss is the entire difference between the amortized cost of the debt security and its fair value on the measurement date of the other-than-temporary impairment. For an other-than-temporary impairment loss on a debt security that the bank intends to sell

Part I. (cont.)

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14 (cont.) pledge of collateral because they do not qualify as sales under 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). Also include loans and leases held for sale or investment by consolidated variable interest entities (VIEs) that can be used only to settle obligations of the same consolidated VIEs. (Such loans and leases should also be reported in Schedule SU, item 7.a). In general, the pledging of loans and leases is the act of setting aside certain loans and leases to secure or collateralize bank transactions with the bank continuing to own the loans and leases unless the bank defaults on the transaction.

When a bank is subject to a blanket lien arrangement or has otherwise pledged an entire portfolio of loans to secure its Federal Home Loan Bank advances, it should report the amount of the entire portfolio of loans subject to the blanket lien in this item. Any loans within the portfolio that have been explicitly excluded or specifically released from the lien and that the bank has the right, without constraint, to repledge to another party should not be reported as pledged in this item. However, if any such loans have been repledged to another party, they should be reported in this item.

NOTE: Memorandum item 15 is to be completed for the December report only.

15 **Reverse mortgages.** A reverse mortgage is an arrangement in which a homeowner borrows against the equity in his or her home and receives cash either in a lump sum or through periodic payments. However, unlike a traditional mortgage loan, no payment is required until the borrower no longer uses the home as his or her principal residence. Cash payments to the borrower after closing, if any, and accrued interest are added to the principal balance. These loans may have caps on their maximum principal balance or they may have clauses that permit the cap on the maximum principal balance to be increased under certain circumstances. The reverse mortgage market currently consists of two basic types of products: proprietary products designed and originated by financial institutions and a federally-insured product known as a Home Equity Conversion Mortgage (HECM).

Report ~~in the appropriate subitem~~ the specified information about the bank's involvement with reverse mortgages.

15.a **Reverse mortgages outstanding that are held for investment.** Report ~~in the appropriate subitem~~ the amount of HECM and proprietary reverse mortgages held for investment that are included in Schedule RC-C, Part I, item 1.c, Loans "Secured by 1-4 family residential properties." A loan is held for investment if the bank has the intent and ability to hold the loan for the foreseeable future or until maturity or payoff. Exclude reverse mortgages that are held for sale.

~~**15.a.(1)** **Home Equity Conversion Mortgage (HECM) reverse mortgages.** Report the amount of HECM reverse mortgages held for investment that are included in Schedule RC-C, Part I, item 1.c, Loans "Secured by 1-4 family residential properties."~~

~~**15.a.(2)** **Proprietary reverse mortgages.** Report the amount of proprietary reverse mortgages held for investment that are included in Schedule RC-C, Part I, item 1.c, Loans "Secured by 1-4 family residential properties."~~

Part I. (cont.)

Memoranda

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15.b **Estimated number of reverse mortgage loan referrals to other lenders during the year from whom compensation has been received for services performed in connection with the origination of the reverse mortgages.** A bank that does not underwrite and fund reverse mortgages may refer customers to other lenders that underwrite and fund such mortgages. Under the Real Estate Settlement Procedures Act and its implementing regulations, a mortgage lender may pay fees or compensation to another party, such as a bank that has referred a customer to the mortgage lender, only for services actually performed by that party.

If the bank receives compensation from reverse mortgage lenders for services the bank has performed in connection with the origination of reverse mortgages granted to customers that the bank has referred to the reverse mortgage lenders, report ~~in the appropriate subitem~~ a reasonable estimate of the number of HECM and proprietary reverse mortgages for which the bank received such compensation during the year. Do not report the estimated amount of referral fee income in ~~these subitems.~~ this item.

~~15.b.(1) **Home Equity Conversion Mortgage (HECM) reverse mortgages.** Report a reasonable estimate of the number of HECM reverse mortgages for which the bank received compensation for services performed during the year in connection with the origination of HECM reverse mortgages granted to customers that the bank has referred to the reverse mortgage lenders.~~

~~15.b.(2) **Proprietary reverse mortgages.** Report a reasonable estimate of the number of proprietary reverse mortgages for which the bank received compensation for services performed during the year in connection with the origination of proprietary reverse mortgages granted to customers that the bank has referred to the reverse mortgage lenders.~~

15.c **Principal amount of reverse mortgage originations that have been sold during the year.** Report ~~in the appropriate subitem~~ the principal amount of HECM and proprietary reverse mortgages sold during the year that were originated by the bank. Report the principal balance outstanding of the reverse mortgages as of their sale dates, which excludes any unused commitments to the borrowers on the reverse mortgages sold.

~~15.c.(1) **Home Equity Conversion Mortgage (HECM) reverse mortgages.** Report the principal amount of HECM reverse mortgages sold during the year that were originated by the bank.~~

~~15.c.(2) **Proprietary reverse mortgages.** Report the principal amount of proprietary reverse mortgages sold during the year that were originated by the bank.~~

NOTE: Memorandum item 16 is to be completed semiannually in the June and December reports only.

16 **Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit (in domestic offices) that have converted to non-revolving closed-end status (included in item 1.c.(1) above).** Report the amount outstanding of loans included in Schedule RC-C, Part I, item 1.c.(1), that have converted to non-revolving, closed-end status, but originated as draws under revolving, open-end lines of credit secured by 1-to-4 family residential properties, including those for which the draw periods have ended.

Item No.	Caption and Instructions
6 (cont.)	(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").
	(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.e, 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.
	(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.d, 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 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.")

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17.d **Outstanding balance of borrowings from Federal Reserve Banks under the PPPLF with a remaining maturity of.** Report in the appropriate subitem the specified information about the outstanding amount of borrowings from Federal Reserve Banks under the PPPLF reported in Schedule RC, item 16. The maturity date of an extension of credit under the PPPLF equals the maturity date of the PPP loan pledged to secure the extension of credit, which is either two or five years from origination of the PPP loan. However, the maturity date of the extension of credit will be accelerated and the institution is required to repay the extension of credit under the PPPLF prior to its maturity date when the institution has been reimbursed by the SBA for a PPP loan forgiveness (to the extent of the forgiveness), has received payment from the SBA representing exercise of the PPP loan guarantee, or has received payment from the PPP borrower of the underlying PPP loan (to the extent of the payment received).

The remaining maturity is the amount of time remaining from the report date until the final contractual maturity of the borrowing without regard to the borrowing's repayment schedule, if any.

17.d.(1) **One year or less.** Report the outstanding amount as of the report date of borrowings by the reporting institution from a Federal Reserve Bank under the PPPLF with a remaining maturity of one year or less.

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The borrowings that should be included in this item will also have been included in (1) Schedule RC-M, item 5.b.(1)(a), "Other borrowings with a remaining maturity or next repricing date of One year or less," (2) Schedule RC-M, item 5.b.(2), "Other borrowings with a remaining maturity of one year or less," and (3) Schedule RC-M, item 10.b, "Amount of 'Other borrowings' that are secured."

17.d.(2) **More than one year.** Report the outstanding amount as of the report date of borrowings by the reporting institution from a Federal Reserve Bank under the PPPLF with a remaining maturity of more than one year.

The borrowings that should be included in this item will also have been included in (1) Schedule RC-M, item 5.b.(1)(b), Other borrowings with a remaining maturity or next repricing date of "Over one year through three years," or Schedule RC-M, item 5.b.(1)(c), "Over three years through five years," as appropriate, and (2) Schedule RC-M, item 10.b, "Amount of 'Other borrowings' that are secured."

17.e **Quarterly average amount of PPP loans pledged to the PPPLF and excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30.** Report the quarterly average amount of PPP loans pledged to the PPPLF that are included as a deduction in Schedule RC-R, Part I, item 29, "LESS: Other deductions from (additions to) assets for leverage ratio purposes," and thus excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30.

This quarterly average should be consistent with and calculated using the same averaging method used for calculating the quarterly average for "Total assets" reported in Schedule RC-K, item 9.

~~18~~ ~~**Money Market Mutual Fund Liquidity Facility (MMLF).** To prevent the disruption in the money markets from destabilizing the financial system, the Board of Governors of the Federal Reserve System authorized the Federal Reserve Bank of Boston on March 19, 2020, to establish the MMLF pursuant to Section 13(3) of the Federal Reserve Act (12 U.S.C. 343(3)). Under the MMLF, the Federal Reserve Bank of Boston extends non-recourse loans to eligible borrowers to purchase eligible assets from money market mutual funds, which is posted as collateral to the Federal Reserve Bank of Boston.~~

Item No.	Caption and Instructions
~~18.a~~	~~**Outstanding balance of assets purchased under the MMLF.** Report on a fully consolidated basis the aggregate amount at which the reporting institution's holdings of assets purchased under the MMLF are included in Schedule RC, item 1.b, "Interest-bearing balances" due from depository institutions; item 2.a, "Held-to-maturity securities;" item 2.b, "Available-for-sale securities;" item 5, "Trading assets;" and item 11, "Other assets;" as appropriate, as of the report date.~~
~~18.b~~	~~**Quarterly average amount of assets purchased under the MMLF and excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30.** Report the quarterly average amount of assets purchased under the MMLF that are included as a deduction in Schedule RC-R, Part I, item 29, "LESS: Other deductions from (additions to) assets for leverage ratio purposes," and thus excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30.~~ ~~This quarterly average should be consistent with and calculated using the same averaging method used for calculating the quarterly average for "Total assets" reported in Schedule RC-K, item 9.~~

<u>Item No.</u> <u>Caption and Instructions</u>

11 **<u>Loans and leases reported in items 1 through 8 above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC.</u>** Report in the appropriate column the aggregate amount of all loans and leases reported in Schedule RC-N, items 1 through 8, above for which repayment of principal is wholly or partially guaranteed or insured by the U.S. Government, including its agencies and its government-sponsored agencies, but excluding loans and leases covered by loss-sharing agreements with the FDIC~~, which are reported in Schedule SU, item 9~~. Examples include loans guaranteed by the Small Business Administration and the Federal Housing Administration. Amounts need not be reported in this item and in items 11.a and 11.b below if they are considered immaterial.

<u>Exclude</u> from this item loans and leases guaranteed or insured by state or local governments, state or local government agencies, foreign (non-U.S.) governments, and private agencies or organizations. Also <u>exclude</u> loans and leases collateralized by securities issued by the U.S. Government, including its agencies and its government-sponsored agencies.

11.a **<u>Guaranteed portion of loans and leases included in item 11 above, excluding rebooked "GNMA loans."</u>** Report in the appropriate column the maximum amount recoverable from the U.S. Government, including its agencies and its government-sponsored agencies, under the guarantee or insurance provisions applicable to the loans and leases included in Schedule RC-N, item 11, above.

Seller-servicers of GNMA loans should exclude all delinquent rebooked GNMA loans that have been repurchased or are eligible for repurchase from this item (report such rebooked GNMA loans in item 11.b below). Servicers of GNMA loans should exclude individual delinquent loans (for which they were not the transferor) that they have purchased out of GNMA securitizations from this item (report such purchased GNMA loans in item 11.b below).

11.b **<u>Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 11 above.</u>** Report in the appropriate column the amount included in Schedule RC-N, item 11, of:

(1) Delinquent rebooked GNMA loans that have been repurchased or are eligible for repurchase by seller-servicers of GNMA loans; and

(2) Delinquent loans that have been purchased out of GNMA securitizations by servicers of GNMA loans that were not the transferors of the loans.

12 **<u>Portion of covered loans and leases included in item 9 above that is protected by FDIC loss-sharing agreements.</u>** <u>Report in column B ("Past due 90 days or more and still accruing") and column C ("Nonaccrual"), as appropriate, the maximum amount recoverable from the FDIC under loss-sharing agreements covering the past due and nonaccrual loans and leases reported in Schedule RC-N, item 9, above beyond the amount that has already been reflected in the measurement of the reporting bank's indemnification asset, which represents the right to receive payments from the FDIC under the loss-sharing agreement. Amounts need not be reported in this item if they are considered immaterial.</u>

<u>In general, the maximum amount recoverable from the FDIC on covered past due and nonaccrual loans and leases is the recorded amount of these loans and leases, as reported in Schedule RC-N, item 9, multiplied by the currently applicable loss coverage rate (e.g., 80 percent or 95 percent). This product will normally be the maximum amount recoverable because reimbursements from the FDIC for covered losses related to the amount by which the "book value" of a covered asset on the failed institution's books (which is the amount upon which payments under an FDIC loss-sharing agreement are based) exceeds the amount at which the reporting bank reports the covered asset on Schedule RC, Balance Sheet, should already have been taken into account in measuring the carrying amount of the reporting bank's loss-sharing indemnification asset, which is reported in Schedule RC-F, item 6, "All other assets."</u>

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~~**FDIC Loss-Sharing Agreements**~~

~~**9**~~ ~~**Does the institution have assets covered by FDIC loss-sharing agreements?**~~

~~If your institution has any assets covered by FDIC loss-sharing agreements, place an "X" in the box marked "Yes" and complete items 9.a through 9.c, below.~~

~~If your institution does not have any assets covered by FDIC loss-sharing agreements, place an "X" in the box marked "No" and skip item items 9.a through 9.c.~~

~~Note: Under a loss-sharing agreement, the FDIC agrees to absorb a portion of the losses on a specified pool of a failed insured depository institution's assets in order to maximize asset recoveries and minimize the FDIC's losses. In general, for transactions that occurred before April 2010, the FDIC reimburses 80 percent of losses incurred by an acquiring institution on covered assets over a specified period of time up to a stated threshold amount, with the acquirer absorbing 20 percent of the losses on these assets. Any losses above the stated threshold amount are reimbursed by the FDIC at 95 percent of the losses recognized by the acquirer. For transactions that occurred after March 2010, the FDIC generally reimburses 80 percent of the losses incurred by the acquirer on covered assets, with the acquiring institution absorbing 20 percent.~~

~~**9.a**~~ ~~**Loans and leases covered by FDIC loss-sharing agreements.** Report the balance sheet amount of loans and leases held for sale and loans and leases held for investment included in Schedule RC-C, Part I, items 1 through 10, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

~~Do not report the "book value" of the covered loans and leases on the failed institution's books, which may be the amount upon which payments from the FDIC to the reporting institution are to be based in accordance with the loss-sharing agreement.~~

~~**9.b**~~ ~~**Past due and nonaccrual loans and leases covered by FDIC loss-sharing agreements.** Report in the appropriate subitem the aggregate amount of all loans and leases covered by loss-sharing agreements with the FDIC and reported in Schedule SU, item 9.a, that have been included in Schedule RC-N, items 1 through 8, because they are past due 30 days or more or are in nonaccrual status as of the report date.~~

~~**9.b.(1)**~~ ~~**Past due 30 through 89 days and still accruing.** Report the amount of covered loans and leases reported in Schedule SU, item 9.a, that are included in Schedule RC-N, items 1 through 8, column A, because they are past due 30 days through 89 days and still accruing as of the report date.~~

~~**9.b.(2)**~~ ~~**Past due 90 days or more and still accruing.** Report the amount of covered loans and leases reported in Schedule SU, item 9.a, that are included in Schedule RC-N, items 1 through 8, column B, because they are past due 90 days or more and still accruing as of the report date.~~

~~**9.b.(3)**~~ ~~**Nonaccrual.** Report the amount of covered loans and leases reported in Schedule SU, item 9.a, that are included in Schedule RC-N, items 1 through 8, column C, because they are in nonaccrual status.~~

~~**9.c**~~ ~~**Portion of past due and nonaccrual covered loans and leases that is protected by FDIC loss-sharing agreements.** Report in the appropriate subitem the maximum amount recoverable from the FDIC under loss-sharing agreements covering the past due and~~

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~~**9.c** (cont.)~~ ~~nonaccrual loans and leases reported in Schedule SU, items 9.b.(1) through 9.b.(3), above, beyond the amount that has already been reflected in the measurement of the reporting institution's indemnification asset, which represents the right to receive payments from the FDIC under the loss-sharing agreement.~~

~~In general, the maximum amount recoverable from the FDIC on covered past due and nonaccrual loans and leases is the amount of these loans and leases, as reported in Schedule SU, items 9.b.(1) through 9.b.(3), multiplied by the currently applicable loss coverage rate (e.g., 80 percent or 95 percent). This product will normally be the maximum amount recoverable because reimbursements from the FDIC for covered losses related to the amount by which the "book value" of a covered asset on the failed institution's books (which is the amount upon which payments under an FDIC loss-sharing agreement are based) exceeds the amount at which the reporting institution reports the covered asset on Schedule RC, Balance Sheet, should already have been taken into account in measuring the carrying amount of the reporting institution's loss-sharing indemnification asset, which is reported in Schedule RC-F, item 6, "All other assets."~~

~~**9.c.(1)**~~ ~~**Past due 30 through 89 days and still accruing.** Report the maximum amount recoverable from the FDIC under loss-sharing agreements covering the loans and leases reported in Schedule SU, item 9.b.(1), because they are past due 30 days through 89 days and still accruing as of the report date.~~

~~**9.c.(2)**~~ ~~**Past due 90 days or more and still accruing.** Report the maximum amount recoverable from the FDIC under loss-sharing agreements covering the loans and leases reported in Schedule SU, item 9.b.(2), because they are past due 90 days or more and still accruing as of the report date.~~

~~**9.c.(3)**~~ ~~**Nonaccrual.** Report the maximum amount recoverable from the FDIC under loss-sharing agreements covering loans and leases reported in Schedule SU, item 9.b.(3), because they are in nonaccrual status.~~

~~**9.d**~~ ~~**Other real estate owned covered by FDIC loss-sharing agreements.** Report the carrying amount of other real estate owned (included in Schedule RC, item 7) acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

~~**9.e**~~ ~~**Portion of covered other real estate owned that is protected by FDIC loss-sharing agreements.** Report the maximum amount recoverable from the FDIC under loss-sharing agreements covering the other real estate owned reported in Schedule SU, item 9.d, beyond the amount that has already been reflected in the measurement of the reporting institution's indemnification asset, which represents the right to receive payments from the FDIC under the loss-sharing agreement.~~

~~In general, the maximum amount recoverable from the FDIC on covered other real estate owned is the carrying amount of the other real estate, as reported in Schedule SU, item 9.d, multiplied by the currently applicable loss coverage rate (e.g., 80 percent or 95 percent). This product will normally be the maximum amount recoverable because reimbursements from the FDIC for covered losses related to the amount by which the "book value" of a covered asset on the failed institution's books (which is the amount upon which payments under an FDIC loss-sharing agreement are based) exceeds the amount at which the reporting institution reports the covered asset on Schedule RC, Balance Sheet, should already have been taken into account in measuring the carrying amount of the reporting institution's loss-sharing indemnification asset, which is reported in Schedule RC-F, item 6, "All other assets."~~

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3 (cont.) income greater than 10 percent of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:
- Items 4 through 22 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 $250 million but less than or equal to $1 billion (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:
- Items 4 through 22 semiannually with the June and December reports;
- Items 23 through 26 annually with the December report;
- Memorandum item 3 semiannually with the June and December reports; 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) of 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 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, if appropriate, cash surrender values of certain life insurance policies, 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.~~e.g, 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.

from reporting in Schedule RC-T

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 loan balances.

, such as testamentary executor appointments.

Also exclude from Schedule RC-T, assets for which the institution is only providing operational, or backoffice services, and the accounts or assets are not held by the institution.

Fiduciary and Related Assets (cont.)

Non-Managed Assets – Column B

Report the total market value of assets held in non-managed fiduciary accounts. An account should be categorized as non-managed if the institution does not have investment discretion. Those accounts for which the institution provides a menu of investment options but the ultimate selection authority remains with the account holder or an external manager should be categorized as non-managed. For example, an institution that offers a choice of sweep vehicles is not necessarily exercising investment discretion. The process of narrowing investment options from a range of alternatives does not create a managed fiduciary account for the purposes of this schedule. For example, a 401(k) employee benefit plan where the participants select investments from a list of investment options should be reported as non-managed for the purposes of this schedule.

Number of Managed Accounts – Column C

Report the total number of managed fiduciary accounts.

Number of Non-Managed Accounts – Column D

Report the total number of non-managed fiduciary accounts.

Item No.	Caption and Instructions
4	**Personal trust and agency accounts.** Report the market value and number of accounts for all testamentary trusts, revocable and irrevocable living trusts (including life insurance trusts, except for term life insurance policies that have nominal value), other personal trusts, and non-managed personal agency accounts. Include accounts in which the institution serves as executor, administrator, guardian, or conservator. Exclude personal investment management and investment advisory agency accounts, which should be reported in Schedule RC-T, item 7. Also exclude Keogh Plan accounts, Individual Retirement Accounts (IRAs), Health Savings Accounts, and other pension or profit-sharing plans for self-employed individuals, which should be reported in Schedule RC-T, item 5. Personal accounts that are solely custody or safekeeping should be reported in item 11 of this schedule.
5	**Employee benefit and retirement-related trust and agency accounts:**
5.a	**Employee benefit – defined contribution.** Report the market value and number of accounts for all employee benefit defined contribution accounts in which the institution serves as either trustee or agent. Include 401(k) plans, 403(b) plans, profit-sharing plans, money purchase plans, target benefit plans, stock bonus plans, employee stock ownership plans, and thrift savings plans. Include those accounts in which the institution serves as either trustee or agent and provides investment management services or provides investment advice for a fee. Employee benefit accounts for which the institution serves as a directed trustee or provides investment advice for a fee should be reported as non-managed. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in Schedule RC-T, item 11.
5.b	**Employee benefit – defined benefit.** Report the market value and number of accounts for all employee benefit defined benefit plans in which the institution serves as either trustee or agent. Include those accounts in which the institution provides investment management services or provides investment advice for a fee. Employee benefit accounts for which the institution serves as a directed trustee or provides investment advice for a fee should be reported as non-managed. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in Schedule RC-T, item 11.

5.c **Other employee benefit and retirement-related accounts.** Report the market value and number of accounts for all other employee benefit and retirement-related fiduciary accounts in which the institution serves as either trustee or agent. Include those accounts in which the institution provides investment management services or provides investment advice for a fee. Include Keogh Plan accounts, Individual Retirement Accounts, Health Savings Accounts, Medical Savings Accounts, and other

Item No.	Caption and Instructions
5.c (cont.)	pension or profit-sharing plans for self-employed individuals. Also report the market value of assets and the number of accounts for employee welfare benefit trusts and agencies. Employee welfare benefit plans include plans, funds, or programs that provide medical, surgical, or hospital care benefits; benefits in the event of sickness, accident, disability, death, or unemployment; vacation benefits; apprenticeship or other training programs; day care centers; scholarship funds; or prepaid legal services. Employee benefit accounts for which the institution serves as a directed trustee or provides investment advice for a fee should be reported as non-managed. Exclude accounts, originated by fiduciary or non-fiduciary personnel, that are only permitted to be invested in own-bank deposits. The number of accounts reported should reflect the total number of plans or accounts administered rather than the number of plan participants. Other retirement accounts that are solely custody and safekeeping accounts should be reported in Schedule RC-T, item 11. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts should also be reported in Schedule RC-T, item 13.
6	**Corporate trust and agency accounts.** Report the market value of assets held by the institution for all corporate trust and agency accounts. Report assets that are the responsibility of the institution to manage or administer in accordance with the corporate trust agreement. Include assets relating to unpresented bonds or coupons relating to issues that have been called or matured. Do NOT report the entire market value of the associated securities or the outstanding principal of associated debt issues. Include accounts for which the institution is trustee for corporate securities, tax-exempt and other municipal securities, and other debt securities including unit investment trusts. Also include accounts for which the institution is dividend or interest paying agent, and any other type of corporate trustee or agent appointment. Accounts that are solely custodial or safekeeping should be reported in Schedule RC-T, item 11.
7	**Investment management and investment advisory agency accounts.** Report the market value and number of accounts for all individual and institutional investment management and investment advisory agency accounts that are administered within the fiduciary area of the institution. Investment management accounts are those agency accounts for which the institution has investment discretion; however, title to the assets remains with the client. Include accounts for which the institution serves as a sub-adviser. Investment advisory accounts are those agency accounts for which the institution provides investment advice for a fee, but for which some other person is responsible for investment decisions. Investment management agency accounts should be reported as managed. Investment advisory agency accounts should be reported as non-managed. Exclude investment management and investment advisory agency accounts maintained for employee benefit and retirement-related accounts, which should be reported in Schedule RC-T, item 5. Investment management and investment advisory agency accounts maintained for foundations and endowments should be reported in Schedule RC-T, item 8. As noted in the Fiduciary and Related Assets section above, exclude investment management and investment advisory agency accounts that are administered by subsidiary registered investment advisers. Include those mutual funds that are advised by the fiduciary area that is a separately identifiable department or division (as defined in Section 217 of the Gramm-Leach-Bliley Act). Classes of the same mutual fund should be combined and reported as a single account.
8	**Foundation and endowment trust and agency accounts.** Report the market value and number of accounts for all foundations and endowments (whether established by individuals, families, corporations, or other entities) that file any version of Form 990 with the Internal Revenue Service and for which the institution serves as either trustee or agent. Also include

those foundations and endowments that do not file Form 990, 990EZ, or 990PF solely because the organization's gross receipts or total assets fall below reporting thresholds, but would otherwise be required to file. Foundations and endowments established by churches, which are exempt from filing Form 990, should also be included in this item. Employee benefit accounts maintained for a foundation's or endowment's employees should be

Item No. **Caption and Instructions**

8 (cont.) reported in Schedule RC-T, item 5. Accounts that are solely custodial or safekeeping should be reported in Schedule RC-T, item 11.

9 **Other fiduciary accounts.** Report the market value and number of accounts for all other trusts and agencies not reported in Schedule RC-T, items 4 through 8. Custody and safekeeping accounts should be reported in Schedule RC-T, item 11.

10 **Total fiduciary accounts.** Report the sum of items 4 through 9.

11 **Custody and safekeeping accounts.** Report the market value and number of accounts for all personal and institutional custody and safekeeping accounts held by the institution. Safekeeping and custody accounts are a type of agency account in which the reporting institution performs one or more specified agency functions but the institution is not a trustee and also is not responsible for managing the asset selection for account assets. These agency services may include holding assets, processing income and redemptions, and other recordkeeping and customer reporting services. For employee benefit custody or safekeeping accounts, the number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Include accounts in which the institution serves in a sub-custodian capacity. For example, where one institution contracts with another for custody services, both institutions should report the accounts in their respective capacity. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts should also be reported in Schedule RC-T, item 13.

Accounts in which the institution serves as either trustee or ~~in an agency capacity~~ agent in addition to being custodian should be reported in the category of the primary relationship. An account with both a fiduciary and custodial relationship should be reported under the fiduciary capacity as the primary relationship. For example, personal trust accounts in which the institution also serves as custodian should be reported as personal trust accounts and not as custodian accounts. An institution should report an account only once in Schedule RC-T, items 4 through 9 and 11.

Report custodian accounts that are incidental to fiduciary services. Include those custody and safekeeping accounts that are administered by the trust department, and those that are administered in other areas of the institution through an identifiable business unit that focuses on offering fiduciary related custodial services to institutional clients. Exclude those custodial and escrow activities related to commercial bank services such as hold-in-custody repurchase assets, securities safekeeping services for correspondent banks, escrow assets held for the benefit of third parties, safety deposit box assets, and any other similar commercial arrangement.

12 Not applicable.