

General Instructions

physical, or an electronic scanned

they are identical in format and detail to the reporting form, including all item and column captions.

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

for a period of three years following submission.

a physical, or an electronic scanned copy of

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

USBOs choosing to submit these reports electronically must maintain in their files the original manually signed page 1 of the Reserve Bank-supplied forms received for the report date, attached to the page(s) containing the detailed listing of subsidiaries, and a printout of the data submitted.

Submission Date

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

for a period of three years following submission.

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

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

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

Monitoring of Regulatory Reports

Federal Reserve Banks will monitor the filing of all regulatory reports to ensure that they are filed in a timely manner and are accurate and not misleading. Many reporting errors can be screened through the use of computer validity edit checks which are detailed in the Checklist accompanying the reporting instructions. Reporting deadlines are detailed in the Submission Date section of these general instructions. Additional information on the monitoring procedures are available from the Federal Reserve Banks.

Confidentiality

These reports are available to the public upon request on an individual basis. However, a USBO may request confidential treatment for one or more of the subsidiaries for which it submits the financial statements for foreign subsidiaries of USBOs if it is of the opinion that disclosure of certain commercial or financial information in the report would likely result in substantial harm to its (or its subsidiaries') competitive position or that disclosure of the submitted personal information would result in unwarranted invasion of personal privacy.

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

Schedule IS

Provisions for credit losses (or reversals of provisions) on off-balance-sheet credit exposures represent the amounts necessary to adjust the related allowance for credit losses at the quarter-end report date for management's current estimate of expected credit losses on these exposures.

on all financial assets and off-balance-sheet credit exposures within the scope of the ASU.

income from undistributed (report in item 1(c)) and interest income paid by subsidiaries. Report the sum of items 1(a) and 1(b).

Line Item 1(c) Total interest income

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

Line Item 2 Interest expense.

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

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

Report all interest expense pertaining to nonrelated organizations.

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

Report all interest expense pertaining to related organizations.

Line Item 2(c) Total interest expense.

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

Line Item 3 Net interest income.

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

Line Item 4 Provision for loan and lease losses.

Entities that have not adopted ASU 2016-13 should report the amount needed to make the allowance for loan and lease losses, as reported in Schedule BS, item 3(b), adequate to absorb expected loan and lease losses, based upon management's evaluation of the subsidiary's cur-

rent loan and lease exposures. The amount reported must equal Schedule IS-B, item 4 column A, "Provision for credit losses."

Entities that have adopted ASU 2016-13, which governs the accounting for credit losses, report the amount expensed as the provisions for credit losses, during the calendar year-to-date. The provisions for credit losses represents the amount appropriate to absorb estimated credit losses over the life of the financial assets reported at amortized cost within the scope of the standard. *Exclude* the initial allowances established on the purchase of credit-deteriorated (PCD) financial assets, which are recorded at acquisition as an adjustment to the amortized cost basis of the asset. The amount reported in this item must equal Schedule IS-B, item 4, columns A through C plus Schedule IS-B, Memorandum item 1. Report negative amounts with a minus (-) sign.

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

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

Line Item 5 Noninterest income.

Report in the appropriate subitem all other income not properly reported in item 1(c), "Total interest income" that is derived from activities in which the subsidiary is engaged. Report noninterest income from nonrelated organizations in item 5(a) and from related organizations in item 5(b). Also, a subsidiary may include as other noninterest income in item 5(a)(7) or 5(b) below net gains (losses) from the sale of loans and certain other assets as long as the subsidiary reports such transactions on a consistent basis.

Line Item 5(a) From nonrelated organizations.

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

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

Report gross income from services rendered by the trust department of the subsidiary or the subsidiary acting in

and 3

Schedule IS-B

provision for credit losses during the calendar year-to-date. The provisions for credit losses represents the amount appropriate to absorb estimated credit losses over the life of the financial assets reported at amortized cost within the scope of the standard. The amount reported in this item must equal Schedule IS, item 4. If the amount reported in this item is negative, report it with a minus (-) sign.

Line Item 5 Adjustments.

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

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

Entities that have not adopted ASU 2016-13, report in column A of in this item as a negative the balance of the allowance for loan and lease losses most recently reported for the end of the previous calendar year.

Entities that have adopted ASU 2016-13, report in the appropriate columns for this item as a negative the balance of the allowances for credit losses on financial assets that are not determined by management to be PCD most recently reported for the end of the previous calendar year. For those assets determined by management to be PCD, the allowances for credit losses as of the acquisition date should then be reported as a positive number in the appropriate columns for this line item.

Line Item 6 Balance at end of current period.

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

Memoranda

Line Item M1 Provisions for credit losses on other financial assets measured at amortized cost (not included in item 4).

Report in this line item provisions related to allowances for credit losses on financial assets measured at amortized cost, included in Schedule IS, item 4, other than loans, leases, held-to-maturity debt securities and available-for-sale debt securities. Provisions for credit losses (or reversals of provisions) on these other financial assets measured at amortized cost represent the amounts necessary to adjust the related allowances for credit losses at the quarter-end report date for management's current estimate of expected credit losses on these assets.

Exclude provisions for credit losses on off-balance sheet credit exposures, which are reported in Schedule IS item 7, "noninterest expense."

Line Item M2 Allowances for credit losses on other assets measured at amortized cost (not included in memorandum item 1 above).

Report in this line item total allowances related to credit losses on financial assets measured at amortized cost other than loans, leases, held-to-maturity debt securities and available-for-sale debt securities that are associated with the provisions reported in memorandum item 1, above.

See Insert A

Line Item M3 Provisions for credit losses on off-balance-sheet credit exposures.

Report in this item the year-to-date amount of provisions for credit losses (or reversals of provisions) on off-balance-sheet credit exposures included in the amount reported in Schedule IS, item 4. Provisions for credit losses (or reversals of provisions) on off-balance-sheet credit exposures represent the amounts necessary to adjust the related allowance for credit losses at the quarter-end report date for management's current estimate of expected credit losses on these exposures.

Line Item M4 Estimated amount of expected recoveries of amounts previously written off¹ included within the allowance for credit losses on loans and leases held for investment (included in item 6, column A, "Balance end of current period").

Report in this item the estimated amount of expected recoveries of amounts previously written off included within the allowance for credit losses on loans and leases held for investment. This item applies to loans and leases held for investment, including purchased credit deteriorated loans held for investment, and does not apply to held-to-maturity debt securities or available-for-sale debt securities.

Expected recoveries of amounts previously written off shall be included in the allowance for credit losses and shall not exceed the aggregate of amounts previously written off and expected to be written off by an institution. However, exclude from this item the estimated amount of expected recoveries of amounts expected to be written off included in the allowance for credit losses.

In accordance with ASU 2016-13, estimated expected recoveries are a component of management's estimation of the net amount expected to be collected for a financial asset or a pool of financial assets if an institution can support an estimate of expected recoveries for a pool of unsecured loans, each of which was deemed uncollectible and fully written off on an individual asset basis, the institution reduces the allowance for credit losses by the institution's estimate of recoveries expected on a pool basis.

¹ The term "written off" as used in ASU 2016-13 and in the instructions for this item is used interchangeably with the term "charged off," which is used elsewhere in the FR Y-9C instructions.

Schedule BS-A

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

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

Line Item 3 Commercial and industrial loans.

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

Exclude:

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

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

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

Line Item 5 All other loans and lease financing receivables.

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

modifications to borrowers experiencing financial difficulty

Line Item 6 receivables.

Report the sum of items 1 through 5.

Line Item 7 Past due and nonaccrual loans and leases.

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

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

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

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

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

Schedule BS-A

modifications to borrowers experiencing financial difficulty

Line Item 7(c) Nonaccrual loans and leases.

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

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

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

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

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

"Loan Modifications to Borrowers Experiencing Financial Difficulty."

Memoranda

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

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

modifications to borrowers experiencing financial difficulty

Line Item 1(a) Total carrying amount of closed-end loans with negative amortization features secured by 1-4 (included in Sc

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Report the total allowances) of, end loans secur whose terms all ing amounts in reported in Sche

Memoranda item nonbank subsidi negative amorti residential prop 1) as of the pre carrying amount exceeds 5 perc unearned incom as of the previo

For the purposes of this report, subsidiaries should disclose modifications to borrowers experiencing financial difficulty if such modifications include principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, or a term extension (or a combination thereof).

Modified loans reported in this schedule should meet the definition of loan modifications to borrowers experiencing financial difficulty, as described in ASU 2022-02, which includes only those modifications which occurred in the previous 12 months. The amounts reported should include modifications that were accounted for as new loans in addition to modifications that were accounted for as a continuation of existing loans.

LINE ITEM INSTRUCTIONS FOR

Due From, Due To, and Other Schedule BS-Q

Exclude balances with related institutions from line items 3 and 4 on this schedule. Refer to the FR Y-9C Glossary entry for “Domicile” for the definition of domicile (addressee).

Line Item 1 Balances due from related institutions, gross:

Line Item 1(a) In the U.S.

Report all balances due from related institutions domiciled in the U.S, as reported in Schedule BS, Item 9, “Balances due from related organizations, gross”.

Line Item 1(b) In foreign countries.

Report all balances due from related institutions domiciled in foreign countries, as reported in Schedule BS, Item 9, “Balances due from related organizations, gross”.

Line Item 2 Balances due to related institutions, gross:

Line Item 2(a) In the U.S.

Report all balances due to related institutions domiciled in the U.S, as reported in Schedule BS, Item 16, “Balances due to related organizations, gross”.

Line Item 2(b) In foreign countries.

Report all balances due to related institutions domiciled in foreign countries, as reported in Schedule BS, Item 16, “Balances due to related organizations, gross”.

Line Item 3 Assets that are claims on U.S addressees other than depository institutions.

Report claims on U.S. addressees other than the parent bank, related institutions, and other depository institutions. Include all assets such as securities, the positive fair value of derivative contracts, and balances of trust departments.

See the instructions of Schedule BS-M Line item 1 for the types of depository institutions. Respondents should ensure that accounts of foreign subsidiaries of U.S. corporations are not reported as U.S. accounts and that accounts of U.S. subsidiaries of foreign corporations are reported as U.S. accounts (that is, domicile and not ownership determined the identification of the country of customer).

Line Item 4 Liabilities to U.S. addressees other than depository institutions.

Report liabilities to U.S. addressees other than the parent bank, related institutions, and other depository institutions. Include the negative fair value of derivatives contracts. Include balances of trust departments. See the instructions of Schedule BS-M Line Item 1 for the types of depository institutions. Exclude balances of negotiable CDs from this line item.