

Schedule PC

Also, report right-of-use (ROU) assets accounted for in accordance with ASC Topic 842. For more information, see the "Lease Accounting" Glossary entry in the FR Y-9C instructions.

- (2) when the investment is in common stock, the parent's proportionate share in the earnings or losses (net of preferred dividends) of subsidiaries and associated companies since the date of their acquisition, less common stock dividends paid;
- (3) any advances made to, and other receivables due from, direct and indirect subsidiaries and associated companies (including those taking the form of loans and holdings of their bonds and debentures). Investments in the common stock of investees shall be reported using the equity method of accounting in accordance with GAAP. Under the equity method, the carrying value of the holding company's investment in the common stock of an investee is originally recorded at cost but is adjusted periodically to record as income the holding company's proportionate share of the investee's earnings or losses and decreased by the amount of any cash dividends received from the investee and amortization of goodwill.

For bank holding companies the term "subsidiary" is defined by section 2(d) of the Bank Holding Company Act and under Section 225.2 of Federal Reserve Regulation Y, which includes companies 25 percent or more owned or controlled by another company and may include companies less than 25 percent owned, if the Board determined that they are controlled by the holding company. For savings and loan holding companies the term "**subsidiary**," is defined by Section 238.2 of Federal Reserve Regulation LL, which generally includes companies more than 25 percent owned or controlled by another company. However, for purposes of the *Parent Company Only Financial Statements for Holding Companies*, a subsidiary is a company in which the parent holding company directly or indirectly owns more than 50 percent of the outstanding voting stock.

An associated company is a corporation in which the holding company, directly or indirectly, owns 20 to 50 percent of the outstanding voting stock and over which the holding company exercises significant influence. This 20 to 50 percent ownership is presumed to carry "significant" influence unless the holding company can demonstrate the contrary to the satisfaction of the Federal Reserve.

A corporate joint venture is a corporation owned and operated by a group of companies ("joint venturers"), no one of which has a majority interest, as a separate and specific business or project for the mutual benefit of

the joint venturers. Each joint venturer may participate, directly or indirectly, in the management of the joint venture. An entity that is a majority-owned subsidiary of one of the joint venturers is not a corporate joint venture.

The amount reported for this item should equal the sum of Schedule PC-A, items 1(a)(1) through 3(b)(2).

Line Item 6 Premises and fixed assets (including capitalized leases).

Report the book value, less depreciation, of all premises, furniture, fixtures, and equipment ~~purchased directly or acquired by means of a capital lease~~. Exclude real estate owned other than company premises. Such real estate is to be reported in item 8, "Other assets."

Line Item 7 Intangible assets (other than reported in item 5 above).

Report in the appropriate subitem the amount of intangible assets. Include in this item intangible assets that are not properly reported as part of investments in subsidiaries (to be reported in item 5 above). Such intangibles may arise from acquisitions of portions or segments of another institution's business, such as branch offices, mortgage servicing portfolios, and credit card portfolios.

Intangible assets primarily result from business combinations accounted for under the purchase method in accordance with ASC Topic 805, Business Combinations (formerly FASB Statement No. 141 (revised 2007) *Business Combinations*), that relate to the acquisition of a subsidiary should be reflected in Schedule PC-A.

Purchase acquisition—In a purchase acquisition the assets and liabilities of the acquired business must be recorded on the books of the combined holding company at their fair value. The fair value of an asset is generally its market or appraised value and liabilities are generally valued on a present value basis. Therefore, to the extent possible, the cost of the acquisition is allocated to each identifiable asset or liability being acquired or assumed. Identifiable assets may be tangible (such as securities or fixed assets) or intangible (such as service contracts or the estimated value of certain deposit relationships as recognized by the Federal Reserve). Any excess of the cost of the acquisition over the net fair value of the identifiable assets and liabilities acquired or assumed is purchased goodwill.

In a purchase acquisition, the historical equity capital balances of the acquired business are not to be carried

Schedule PC

(4) through mortgages, liens, or other encumbrances on premises and fixed assets and other real estate owned;

assets that the reporting holding company consolidated subsidiaries do not own, i.e., sell

(7) on any other obligation for the purpose of borrowing money that has a remaining maturity of one year or less and that is not reported elsewhere.

Exclude from this item:

- (1) subordinated notes and debentures (report in Schedule PC, item 16).
- (2) securities sold under agreements to repurchase (report in item 12 above)

through lease liabilities for finance leases;

Line Item 14 with a remaining maturity of more than one year.

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

Report the total amount of money borrowed by the reporting holding company with a remaining maturity of more than one year:

- (1) on its promissory notes;
- (2) on notes and bills rediscounted (including commodity drafts rediscounted);
- (3) on mortgages, liens, or other encumbrances on premises and fixed assets and on other real estate owned for which the reporting holding company is liable. If the holding company is the lessee on capitalized lease property, include the holding company's liability for capitalized lease payments;

5 (4) on loans sold under repurchase agreements that mature in more than one business day;

6 (5) by the creation of due bills representing the holding of payment and similar instruments, whether collateralized or uncollateralized;

7 (6) by overdrawing "due from" balances with depository institutions (borrowing created by overdrawing "due from" balances with related depository institutions should be reported in item 18).

8 (7) by selling assets that the reporting holding company does not own; and

(3) lease liabilities for operating leases (report in Schedule PC, item 17).

9 (8) on any other obligation for the purpose of borrowing money not reported elsewhere.

NOTE: When the parent holding company has explicitly or implicitly guaranteed the long-term debt of its Employee Stock Ownership Plan (ESOP), report in this item the dollar amount outstanding of the long-term debt guaranteed.

Exclude from this item:

- (1) securities sold under agreements to repurchase (report in Schedule PC, item 12);
- (2) subordinated notes and debentures (report in Schedule PC, item 16).

Line Item 15 Not applicable.

Line Item 16 Subordinated notes and debentures (includes limited-life preferred stock and related surplus).

Report the amount of subordinated debt of the reporting holding company. A subordinated note or debenture is a form of debt issued by a holding company. When issued by a holding company, a subordinated note or debenture is a form of unsecured long-term debt that is subordinated to other debt of the consolidated holding company.

Include in this line item the total amount of outstanding equity contract notes and equity commitment notes that qualify as capital, as defined by the Federal Reserve Board's capital adequacy guidelines, 12 C.F.R., Part 225, Appendix B.

For purposes of this item, also report the amount of any outstanding limited-life preferred stock including any amounts received in excess of its par or stated value. Limited-life preferred stock is preferred stock that has a stated maturity date or that can be redeemed at the option of the holder. It excludes those issues of preferred stock that automatically convert into perpetual preferred stock or common stock at a stated date.

For purposes of this report, *do not* include instruments generally referred to as trust preferred securities that were issued out of special purpose entities. Such instruments should be reported in item 18 below, generally in item 18(b), "Balances due to nonbank subsidiaries."

Line Item 17 Other liabilities.

Report expenses accrued and unpaid, deferred income taxes (if credit balance), and all other liabilities that

Schedule PC

- (6) by selling assets that the reporting holding company or its consolidated subsidiaries do not own, i.e., sell short; and
- (7) on any other obligation for the purpose of borrowing money that has a remaining maturity of one year or less and that is not reported elsewhere.

Exclude from this item:

- (1) subordinated notes and debentures (report in Schedule PC, item 16).
- (2) securities sold under agreements to repurchase (report in item 12 above).

Line Item 14 Other borrowed money with a remaining maturity of more than one year.

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

Report the total amount of money borrowed by the reporting holding company with a remaining maturity of more than one year:

- (1) on its promissory notes;
- (2) on notes and bills rediscounted (including commodity drafts rediscounted);
- (3) on mortgages, liens, or other encumbrances on premises and fixed assets and on other real estate owned for which the reporting holding company is liable. If the holding company is the lessee on capitalized lease property, include the holding company's liability for capitalized lease payments;
- (4) on loans sold under repurchase agreements that mature in more than one business day;
- (5) by the creation of due bills representing the holding of payment and similar instruments, whether collateralized or uncollateralized;
- (6) by overdrawing "due from" balances with depository institutions (borrowing created by overdrawing "due from" balances with related depository institutions should be reported in item 18).
- (7) by selling assets that the reporting holding company does not own; and

- (8) on any other obligation with a remaining maturity of more than one year for the purpose of borrowing money not reported elsewhere.

NOTE: When the parent holding company has explicitly or implicitly guaranteed the long-term debt of its Employee Stock Ownership Plan (ESOP), report in this item the dollar amount outstanding of the long-term debt guaranteed.

Exclude from this item:

- (1) securities sold under agreements to repurchase (report in Schedule PC, item 12);
- (2) subordinated notes and debentures (report in Schedule PC, item 16).

Line Item 15 Not applicable.

Line Item 16 Subordinated notes and debentures (includes limited-life preferred stock and related surplus).

Report the amount of subordinated debt of the reporting holding company. A subordinated note or debenture is a form of debt issued by a holding company. When issued by a holding company, a subordinated note or debenture is a form of unsecured long-term debt that is subordinated to other debt of the consolidated holding company.

Include in this line item the total amount of outstanding equity contract notes and equity commitment notes that qualify as capital, as defined by the Federal Reserve Board's capital adequacy guidelines, 12 C.F.R., Part 225, Appendix B.

For purposes of this item, also report the amount of any outstanding limited-life preferred stock including any amounts received in excess of its par or stated value. Limited-life preferred stock is preferred stock that has a stated maturity date or that can be redeemed at the option of the holder. It excludes those issues of preferred stock that automatically convert into perpetual preferred stock or common stock at a stated date.

For purposes of this report, *do not* include instruments generally referred to as trust preferred securities that were issued out of special purpose entities. Such instruments should be reported in item 18 below, generally in item 18(b), "Balances due to nonbank subsidiaries."

Line Item 17 Other liabilities.

Report expenses accrued and unpaid, deferred income taxes (if credit balance), and all other liabilities that

Schedule PC

Also, include lease liabilities for operating leases.

cannot properly be reported in Schedule PC, items 11 through 16. Exclude balances due to subsidiaries and related institutions (reported in Schedule PC, items 18(a), 18(b), or 18(c) below).

Line Item 18 Balances due to subsidiaries and related institutions.

Report in this item all balances due to institutions related to the parent holding company, including short- and long-term borrowings, accrued interest payable, taxes payable, and any other liabilities due to related institutions.

Related institutions, for purposes of this item, consist of direct and indirect subsidiaries of the reporting parent holding company, both bank and nonbank. Where the holding company is a multi-tier organization, “related institutions” include subsidiary holding companies and their direct and indirect subsidiaries.

When a subsidiary holding company is filing this report, this item should include all balances due to its parent company(ies) and the parent’s direct and indirect subsidiaries as well as balances due to the respondent’s direct and indirect subsidiaries.

Line Item 18(a) Balances due to subsidiary banks.

Report in this item all balances due to a bank that is directly or indirectly owned or controlled by the top-tier parent holding company. *Exclude* balances due to related nonbank depository institutions, which are to be reported in item 18(b).

Line Item 18(b) Balances due to nonbank subsidiaries.

Report in this item all balances due to nonbank subsidiaries that are directly or indirectly owned or controlled by the reporting parent holding company. In addition, for purposes of this report, include in this item instruments generally referred to as trust preferred securities that were issued out of special purpose entities whereby the proceeds from the issuance are lent to the reporting parent company.

For purposes of this item, when the reporting holding company is a multi-tier organization, nonbank subsidiaries *exclude* any subsidiary holding companies of the respondent and the parent company(ies) of the respondent, which are to be reported in item 18(c).

When the reporting holding company is a top-tier holding company, this item should include only those transactions made directly by the reporting parent company with direct or indirect nonbank subsidiaries. When the reporting holding company is a lower-tier holding company, this item should include all balances due to related nonbank subsidiaries, i.e., balances due to nonbank subsidiaries directly or indirectly owned or controlled by the top-tier holding company.

Balances due to subsidiary holding companies are to be reported in item 18(c).

Line Item 18(c) Balances due to related holding companies.

This item is to be reported only by tiered holding companies. Report in this item all balances due to subsidiary holding companies.

In addition, when a subsidiary holding company is filing this report, this item should include all balances due to its parent holding company or to any holding company that is directly or indirectly owned or controlled by the top-tier holding company.

Line Item 19 Not applicable.

Line Item 20 Equity capital.

Line Item 20(a) Perpetual preferred stock (including related surplus).

Report the aggregate par or stated value of outstanding perpetual preferred stock plus any amounts received in excess of its par or stated value. Perpetual preferred stock is preferred stock that does not have a stated maturity date or that cannot be redeemed at the option of the holder. It includes those issues of preferred stock that automatically convert into common stock at a stated date.

Line Item 20(b) Common stock (par value).

Report the aggregate par or stated value of common stock issued.

Line Item 20(c) Surplus (exclude all surplus related to preferred stock).

Report the net amount formally transferred to the surplus account, including capital contributions, and any amount received for common stock in excess of its par or stated value on or before the report date. Also include in this

Schedule PC-B

Line Item 4(c) Related holding companies (report only if a tiered holding company organization is reporting).

Report the amount of borrowings of subsidiary holding companies that have been guaranteed (as described above) by the reporting holding company.

Related holding companies, for purposes of reporting this item, include any holding company that is 25 percent or more owned or controlled, directly or indirectly, by the top-tier holding company owning or controlling the holding company submitting this FR Y-9LP. Related savings and loan holding companies, for purposes of reporting this item, include any savings and loan holding company that is more than 25 percent owned or controlled, directly or indirectly, by top-tier savings and loan holding company owning or controlling the holding company submitting this FR Y-9LP.

Line Item 5 Borrowings by the parent from subsidiaries and associated companies (included in Schedule PC, item 18).

Report in the appropriate subheading below the amount of outstanding borrowings by the reporting parent holding company from its subsidiaries and associated companies, including holdings of debt instruments issued by the parent (included in item 18).

Line Item 5(a) Bank.

Report the amount of borrowings of the parent holding company from subsidiary banks and associated banks, Edge Act and Agreement subsidiaries, and, for purposes of this report, industrial banks that file the commercial bank Reports of Condition and Income with the federal banking agencies. The amount reported should include the bank subsidiary's holding of debt instruments issued by the reporting parent holding company.

Line Item 5(b) Nonbank.

Report the amount of borrowings of the parent company from nonbank subsidiaries and associated nonbank companies (exclude banks, Edge Act and Agreement subsidiaries, and, for purposes of this report, industrial banks that file the commercial bank Reports of Condition and Income with the federal banking agencies). The amount reported should include the nonbank subsidiary's holding of debt instruments issued by the reporting parent hold-

ing company. Also include notes payable to special purpose entities (SPEs) that issue trust preferred stock.

Line Item 5(c) Related holding companies (report only if a tiered holding company organization is reporting).

Report the amount of borrowings of the reporting parent holding company from related holding companies and associated holding companies. The amount reported should include the related holding companies holding of debt instruments issued by the reporting parent holding company.

Related bank holding companies, for purposes of reporting this item, include any bank holding company that is 25 percent or more owned or controlled, directly or indirectly, by the top-tier bank holding company owning or controlling the holding company submitting this FR Y-9LP. Related savings and loan holding companies, for purposes of reporting this item, include any savings and loan holding company that is more than 25 percent owned or controlled, directly or indirectly, by top-tier savings and loan holding company owning or controlling the holding company submitting this FR Y-9LP.

Line Item 6 Long-term debt that reprices within one year.

Report debt issued by the holding company (including amounts of debt issued by the parent holding company and held by a related institution) that has a remaining maturity of more than one year but has a *repricing frequency* of less than a year.

Include as long-term debt:

- (1) Other borrowed money with a remaining maturity of more than one year, excluding mortgage indebtedness and obligations under capitalized leases (Schedule PC, item 14);
- (2) Mandatory convertible securities (included in Schedule PC, item 16); and
- (3) Subordinated notes and debentures (Schedule PC, item 16).

However, a holding company may choose to continue to report their floating rate long-term debt by earliest repricing opportunity if its records provide repricing data on the length of time between the report date and the date