

**FFIEC 031**  
**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 031 and 041 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 031 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 031 Call Report are available on the [FFIEC webpage for the FFIEC 031 Call Report](#).

Draft as of June 13, 2023

Schedule	Description	Pages
RI – Income Statement	Memorandum item 12. Noncash income from negative amortization on closed-end loans secured by 1–4 family 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	4-6
RC-F – Other Assets	6.d. FDIC loss-sharing indemnification assets	7
RC-M – Memoranda	13.a. through 13.d. Assets covered by loss-sharing agreements with the FDIC  Note: Item 13.b.(7) is redesignated as item 13.	8-13
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	14-15
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	16
RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets	12.a. through 12.f. Loans and leases reported in items 1 through 8 above that are covered by loss-sharing agreements with the FDIC  Note: Item 12.f is redesignated as item 12.	16-19
RC-T – Fiduciary and Related Services	Clarifications	20-25

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

- 11**    **Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?** Indicate in the boxes marked "YES" and "NO" whether the bank is, for federal income tax purposes, either an "S corporation" or a "qualifying subchapter S subsidiary," as defined in Internal Revenue Code Section 1361, as of the report date. In order to be an S corporation, the bank must have filed a valid election with the Internal Revenue Service and obtained the consent of all of its shareholders. An election for a bank to be a qualifying subchapter S subsidiary must have been made by a bank's parent holding company, which must also have made a valid election to be an S corporation. In addition, the bank (and its parent holding company, if applicable) must meet specific criteria for federal income tax purposes at all times during which the election remains in effect. These specific criteria include, for example, having no more than 100 qualifying shareholders and having only one class of stock outstanding.

~~NOTE: Memorandum item 12 is to be completed semiannually in the June and December reports only by banks that are required to complete Schedule RC-C, Part I, Memorandum items 8.b and 8.c.~~

→12

12. Not applicable

~~**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 in domestic offices (Schedule RI, item 1.a.(1)(a) on the FFIEC 031; item 1.a.(1) on the FFIEC 041).~~

~~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).~~

- 13**    **Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option.** Report in the appropriate subitem the total amount of pretax gains (losses) from fair value changes included in earnings during the calendar year to date for all assets and liabilities accounted for at fair value under a fair value option. If the amount to be reported is a net loss, report it with a minus (-) sign. Disclosure of such gains (losses) is also required by ASC Subtopic 825-10, Financial Instruments – Overall (formerly FASB Statement No. 159, "Fair Value Option for Financial Assets and Financial Liabilities," paragraphs 19 and C7(b)) and ASC Subtopic 860-50, Transfers and Servicing – Servicing Assets and Liabilities (formerly FASB Statement No. 156, "Accounting for Servicing of Financial Assets," paragraph 4(f)(1)(d)).
- 13.a**    **Net gains (losses) on assets.** Report the total amount of pretax gains (losses) from fair value changes included in earnings during the calendar year to date for all assets, including hybrid financial instruments and servicing assets, accounted for under a fair value option. This amount will reflect the reported interest included in total interest income in Schedule RI, item 1.h, and revaluation adjustments included in noninterest income in Schedule RI, items 5.c, 5.f, and 5.l. Exclude gains and losses for other items measured at fair value, such as items required to be measured at fair value.

**Part I. (cont.)****Memoranda****Item No.    Caption and Instructions**

- 13.b    Amount of interest capitalized from interest reserves on construction, land development, and other land loans that is included in interest and fee income on loans during the quarter.** Report the amount of interest advanced to borrowers on construction loans (as defined for Schedule RC-C, part I, item 1.a, column B) that has been capitalized into the borrowers' loan balances through the use of interest reserves (including interest advanced on new construction loans granted for the purpose of paying interest on existing construction loans when the loans are secured by the same real estate) and included in interest and fee income during the quarter on "All other loans secured by real estate" (Schedule RI, item 1.a.(1)(b), on the FFIEC 041; Schedule RI, item 1.a.(1)(a)(2) on the FFIEC 031). The amount of capitalized interest included in interest income during the quarter should be reduced by amounts reversed against interest during the quarter.
- 14    Pledged loans and leases.** Report the amount of all loans and leases included in Schedule RC-C, part I, above that are pledged to secure deposits, repurchase transactions, or other borrowings (regardless of the balance of the deposits or other liabilities against which the loans and leases are pledged) or for any other purpose. Include loans and leases that have been transferred in transactions that are accounted for as secured borrowings with a 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 (the amounts of which are also reported in Schedule RC-V, items 1.e and 1.f). 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 (in domestic offices).** 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

**Part I. (cont.)****Memoranda****Item No.    Caption and Instructions**

- 15** (cont.) 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 (in domestic offices).
- 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."~~
- 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.~~

**Part I. (cont.)****Memoranda****Item No.    Caption and Instructions**

- 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.

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**Item No.    Caption and Instructions**

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

Exclude from all other assets:

- (1) Redeemed U.S. savings bonds and food stamps (report in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and, if applicable, in Schedule RC-A, item 1, "Cash items in process of collection, unposted debits, and currency and coin").
- (2) Real estate owned or leasehold improvements to property intended for future use as banking premises (report in Schedule RC, item 6, "Premises and fixed assets").
- (3) Accounts identified as "building accounts," "construction accounts," or "remodeling accounts" (report in Schedule RC, item 6, "Premises and fixed assets").
- (4) Real estate acquired in any manner for debts previously contracted (including, but not limited to, real estate acquired through foreclosure and real estate acquired by deed in lieu of foreclosure), even if the bank has not yet received title to the property, and real estate collateral underlying a loan when the bank has obtained physical possession of the collateral (report as "Other real estate owned" in Schedule RC, item 7).
- (5) Due bills representing purchases of securities or other assets by the reporting bank that have not yet been delivered (report as loans in Schedule RC-C).
- (6) Factored accounts receivable (report as loans in Schedule RC-C).
- 7**    **Total.** Report the sum of items 1 through 6. This amount must equal Schedule RC, item 11, "Other assets."

**Item No.    Caption and Instructions**

**11        Does the bank act as trustee or custodian for Individual Retirement Accounts, Health Savings Accounts, and other similar accounts?** Indicate whether the institution acts as trustee or custodian for Individual Retirement Accounts (IRAs), Health Savings Accounts (HSAs), or other similar accounts. Other similar accounts include Roth IRAs, Coverdell Education Savings Accounts, and Archer Medical Savings Accounts. State-chartered institutions are allowed, under certain circumstances, to act as trustee or custodian for these types of accounts without obtaining trust powers. In addition, national banks can serve as custodian to IRAs, HSAs, and other similar accounts without obtaining trust powers. Place an "X" in the box marked "Yes" if the reporting institution acts as trustee or custodian for these types of accounts, regardless of whether it has trust powers. Otherwise, place an "X" in the box marked "No."

**12        Does the bank provide custody, safekeeping, or other services involving the acceptance of orders for the sale or purchase of securities?** Indicate whether the institution takes orders from customers for the sale or purchase of securities, regardless of whether this activity occurs in a custody or safekeeping account or elsewhere in the institution as an accommodation to the customer. Place an "X" in the box marked "Yes" if the reporting institution takes securities sale or purchase orders from customers. Otherwise, place an "X" in the box marked "No."

For example, if the only persons accepting customers' orders for securities are licensed dual employees (i.e., individuals who are both employees of the bank and licensed representatives of a registered broker-dealer) who take orders under a third-party networking arrangement with a registered broker, the employees would be accepting the orders in their capacity as registered representatives of the broker and not in their capacity as bank employees. In this situation, the bank should place an "X" in the box marked "No."

**13        ~~Assets covered by loss-sharing agreements with the FDIC.~~** ~~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 more recent transactions, the FDIC generally reimburses 80 percent of the losses incurred by the acquirer on covered assets, with the acquiring institution absorbing 20 percent.~~

~~Report in the appropriate subitem the balance sheet carrying amount as of the report date of all assets acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC. These asset amounts should also be included in the balance sheet category appropriate to the asset on Schedule RC, Balance Sheet.~~

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

**13.a        ~~Loans and leases.~~** ~~Report in the appropriate subitem the carrying amount of loans and leases held for sale and the recorded investment in loans 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.~~

**Item No.    Caption and Instructions****13.a.(1)    Loans secured by real estate (in domestic offices):****13.a.(1)(a) ~~Construction, land development, and other land loans:~~**

**13.a.(1)(a)(1)    ~~1-4 family residential construction loans.~~** Report the amount of ~~1-4 family residential construction loans included in Schedule RC-C, part I, item 1.a.(1), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(a)(2)    ~~Other construction loans and all land development and other land loans.~~** Report the amount of ~~other construction loans and all land development and other land loans included in Schedule RC-C, part I, item 1.a.(2), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(b)    ~~Secured by farmland.~~** Report the amount of loans secured by farmland included in Schedule RC-C, part I, item 1.b, column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.

**13.a.(1)(c)    Secured by 1-4 family residential properties:**

**13.a.(1)(c)(1)    ~~Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.~~** Report the amount of revolving, open-end loans secured by ~~1-4 family residential properties and extended under lines of credit loans included in Schedule RC-C, part I, item 1.c.(1), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(c)(2)    Closed-end loans secured by 1-4 family residential properties:**

**13.a.(1)(c)(2)(a)    ~~Secured by first liens.~~** Report the amount of closed-end loans secured by first liens on ~~1-4 family residential properties included in Schedule RC-C, part I, item 1.c.(2)(a), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(c)(2)(b)    ~~Secured by junior liens.~~** Report the amount of closed-end loans secured by junior liens on ~~1-4 family residential properties included in Schedule RC-C, part I, item 1.c.(2)(b), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(d)    ~~Secured by multifamily (5 or more) residential properties.~~** Report the amount of loans secured by ~~multifamily (5 or more) residential properties included in Schedule RC-C, part I, item 1.d, column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**13.a.(1)(e)    Secured by nonfarm nonresidential properties:**

**13.a.(1)(e)(1)    ~~Loans secured by owner-occupied nonfarm nonresidential properties.~~** Report the amount of loans secured by ~~owner-occupied nonfarm nonresidential properties included in Schedule RC-C, part I, item 1.e.(1), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

**Item No.    Caption and Instructions**

**13.a.(1)(e)(2)    ~~Loans secured by other nonfarm nonresidential properties.~~** Report the amount of loans secured by other nonfarm nonresidential properties included in Schedule RC-C, part I, item 1.e.(2), column B, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.

**13.a.(2) to  
13.a.(4)**    Not applicable.

**13.a.(5)    ~~All other loans and all leases.~~** Report the amount of loans that cannot properly be reported in Schedule RC-M, items 13.a.(1)(a)(1) through 13.a.(1)(e)(2), above acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC. Include in this item covered loans in the following categories:

- ~~(1) Loans to depository institutions and acceptances of other banks included in Schedule RC-C, part I, item 2, column B on the FFIEC 041 and in Schedule RC-C, part I, items 2.a.(1) through 2.c.(2), column A on the FFIEC 031;~~
- ~~(2) Loans to finance agricultural production and other loans to farmers included in Schedule RC-C, part I, item 3, column B on the FFIEC 041 and column A on the FFIEC 031;~~
- ~~(3) Commercial and industrial loans included in Schedule RC-C, part I, item 4, column B on the FFIEC 041, and in Schedule RC-C, part I, items 4.a and 4.b, column A on the FFIEC 031;~~
- ~~(4) Loans to individuals for household, family, and other personal expenditures included in Schedule RC-C, part I, items 6.a through 6.d, column B on the FFIEC 041 and column A on the FFIEC 031;~~
- ~~(5) On the FFIEC 031 only, loans to foreign governments and official institutions included in Schedule RC-C, part I, item 7, column A;~~
- ~~(6) Obligations (other than securities and leases) of states and political subdivisions in the U.S. included in Schedule RC-C, part I, item 8, column B on the FFIEC 041 and column A on the FFIEC 031;~~
- ~~(7) Loans to nondepository financial institutions and other loans included in Schedule RC-C, part I, items 9.a and 9.b, column B on the FFIEC 041, and in Schedule RC-C, part I, item 9, column A on the FFIEC 031; and~~
- ~~(8) On the FFIEC 031 only, loans secured by real estate in foreign offices included in Schedule RC-C, part I, item 1, column A.~~

Also include all lease financing receivables included in Schedule RC-C, part I, item 10, column B on the FFIEC 041, and in Schedule RC-C, part I, items 10.a and 10.b, column A on the FFIEC 031, acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.

**13.b    ~~Other real estate owned.~~** Report in the appropriate subitem 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.

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**Item No. Caption and Instructions**

- ~~13.b.(1) **Construction, land development, and other land (in domestic offices).** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.a, "Construction, land development, and other land (in domestic offices)," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~
- ~~13.b.(2) **Farmland (in domestic offices).** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.b, "Farmland (in domestic offices)," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~
- ~~13.b.(3) **1-4 family residential properties (in domestic offices).** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.c, "1-4 family residential properties (in domestic offices)," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~
- ~~13.b.(4) **Multifamily (5 or more) residential properties (in domestic offices).** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.d, "Multifamily (5 or more) residential properties (in domestic offices)," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~
- ~~13.b.(5) **Nonfarm nonresidential properties (in domestic offices).** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.e, "Nonfarm nonresidential properties (in domestic offices)," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

~~NOTE: Item 13.b.(6) is not applicable to banks filing the FFIEC 041 report forms.~~

- ~~13.b.(6) **In foreign offices.** Report the carrying amount of all other real estate owned included in Schedule RC-M, item 3.g, "In foreign offices," acquired from failed insured depository institutions or otherwise purchased from the FDIC that are covered by loss-sharing agreements with the FDIC.~~

- ~~13.b.(7) **Portion of covered other real estate owned included in items 13.b.(1) through (5) [or (6)] above 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 RC-M, items 13.b.(1) through (5) on the FFIEC 041, and in Schedule RC-M, items 13.b.(1) through (6) on the FFIEC 031, 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.~~

in Schedule RC, item 7

Schedule RC, item 7, "Other real estate owned,"

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, 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 the preceding Schedule RC-M items, 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

Schedule RC, item 7, "Other real estate owned,"

**Item No.    Caption and Instructions**

**13.b.(7)** (cont.) 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."

**13.c** ~~**Debt securities.** Report the amortized cost of held-to-maturity debt securities (included in Schedule RC, item 2.a) and the fair value of available-for-sale debt securities (included in Schedule RC, item 2.b) acquired from failed insured depository institutions or otherwise purchased from the FDIC and covered by loss-sharing agreements with the FDIC.~~

**13.d** ~~**Other assets.** Report the balance sheet carrying amount of all assets that cannot properly be reported in Schedule RC-M, items 13.a through 13.c, and have been acquired from failed insured depository institutions or otherwise purchased from the FDIC and are covered by loss-sharing agreements with the FDIC.~~

~~Exclude 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 FDIC loss-sharing indemnification assets in Schedule RC-F, item 6, "All other assets," and, if the amount of these indemnification assets is greater than \$25,000 and exceeds 25 percent of the amount of "All other assets," also report the indemnification assets in Schedule RC-F, item 6.e.~~

NOTE: Schedule RC-M, items 14.a and 14.b, are to be completed annually in the December report only.

**14            Captive insurance and reinsurance subsidiaries:**

**14.a        Total assets of captive insurance subsidiaries.** Report the carrying amount of all assets held by consolidated captive insurance subsidiaries of the reporting bank. A captive insurance company is a limited purpose insurer licensed as a direct writer of insurance. Some common lines of business include credit life, accident, and health insurance; disability insurance; and employee benefits coverage. Report total assets before eliminating intercompany transactions between the consolidated insurance subsidiary and other offices or subsidiaries of the consolidated bank.

**14.b        Total assets of captive reinsurance subsidiaries.** Report the carrying amount of all assets held by consolidated captive reinsurance subsidiaries of the reporting bank. Reinsurance is the transfer, with indemnification, of all or part of the underwriting risk from one insurer to another for a portion of the premium or other consideration.

Some common lines of business include credit life, accident, and health reinsurance; disability reinsurance; reinsurance of employee benefits coverage; private mortgage guaranty reinsurance; and terrorism risk reinsurance. Report total assets before eliminating intercompany transactions between the consolidated reinsurance subsidiary and other offices or subsidiaries of the consolidated bank.

**Item No.    Caption and Instructions**

- 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.

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.

DRAFT

**Item No.    Caption and Instructions**

- 10**    Exclude other real estate owned reportable in Schedule RC, item 7, and other repossessed assets reportable in Schedule RC, item 11, such as automobiles, boats, equipment, appliances, and similar personal property.
- (cont.)
- 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.** 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 RC-N, item 12, below.~~ 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.
- Exclude 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 exclude loans and leases collateralized by securities issued by the U.S. Government, including its agencies and its government-sponsored agencies.
- 11.a**    **Guaranteed portion of loans and leases included in item 11 above, excluding rebooked "GNMA loans."** 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**    **Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 11 above.** 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**    **Loans and leases reported in items 1 through 8 above that are covered by loss sharing agreements with the FDIC.** Report in the appropriate subitem and column the aggregate amount of all loans and leases covered by loss-sharing agreements with the FDIC reported in Schedule RC-M, items 13.a.(1)(a)(1) through 13.a.(5), 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. Amounts need not be reported in Schedule RC-N, items 12.a.(1)(a) through 12.f, below if they are considered immaterial.~~
- ~~**12.a**    **Loans secured by real estate (in domestic offices):**~~
- ~~**12.a.(1)**    **Construction, land development, and other land loans:**~~

**Item No.    Caption and Instructions**

- ~~12.a.(1)(a) **1-4 family residential construction loans.** Report in the appropriate column the amount of all covered 1-4 family residential construction loans reported in Schedule RC-M, item 13.a.(1)(a)(1), that are included in Schedule RC-N, item 1.a.(1), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(1)(b) **Other construction loans and all land development and other land loans.** Report in the appropriate column the amount of all other covered construction loans and all covered land development and other land loans reported in Schedule RC-M, item 13.a.(1)(a)(2), that are included in Schedule RC-N, item 1.a.(2), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(2) **Secured by farmland.** Report in the appropriate column the amount of all covered loans secured by farmland reported in Schedule RC-M, item 13.a.(1)(b), that are included in Schedule RC-N, item 1.b, above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(3) **Secured by 1-4 family residential properties:**~~
- ~~12.a.(3)(a) **Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.** Report in the appropriate column the amount of all covered revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit loans held for sale and held for investment reported in Schedule RC-M, item 13.a.(1)(c)(1), that are included in Schedule RC-N, item 1.c.(1), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(3)(b) **Closed-end loans secured by 1-4 family residential properties:**~~
- ~~12.a.(3)(b)(1) **Secured by first liens.** Report in the appropriate column the amount of all covered closed-end loans secured by first liens on 1-4 family residential properties reported in Schedule RC-M, item 13.a.(1)(c)(2)(a), that are included in Schedule RC-N, item 1.c.(2)(a), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(3)(b)(2) **Secured by junior liens.** Report in the appropriate column the amount of all covered closed-end loans secured by junior liens on 1-4 family residential properties reported in Schedule RC-M, item 13.a.(1)(c)(2)(b), that are included in Schedule RC-N, item 1.c.(2)(b), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(4) **Secured by multifamily (5 or more) residential properties.** Report in the appropriate column the amount of all covered loans secured by multifamily (5 or more) residential properties reported in Schedule RC-M, item 13.a.(1)(d), that are included in Schedule RC-N, item 1.d, above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~
- ~~12.a.(5) **Secured by nonfarm nonresidential properties:**~~
- ~~12.a.(5)(a) **Loans secured by owner-occupied nonfarm nonresidential properties.** Report in the appropriate column the amount of all covered loans secured by owner-occupied nonfarm nonresidential properties reported in Schedule RC-M, item 13.a.(1)(e)(1), that are included in Schedule RC-N, item 1.e.(1), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~

**Item No.    Caption and Instructions**

~~12.a.(5)(b) **Loans secured by other nonfarm nonresidential properties.** Report in the appropriate column the amount of all covered loans secured by other nonfarm nonresidential properties reported in Schedule RC-M, item 13.a.(1)(e)(2), that are included in Schedule RC-N, item 1.e.(2), above because they are past due 30 days or more or are in nonaccrual status as of the report date.~~

~~12.b through~~

~~12.d            Not applicable.~~

~~12.e            **All other loans and all leases.** Report in the appropriate column the amount of covered loans and leases reported in Schedule RC-M, item 13.a.(5), "All other loans and all leases," that are past due 30 days or more or are in nonaccrual status as of the report date. Include in the appropriate column of this item covered loans in the following categories that are past due 30 days or more or are in nonaccrual status as of the report date:~~

- ~~(1) Loans to depository institutions and acceptances of other banks included in Schedule RC-N, item 2;~~
- ~~(2) Loans to finance agricultural production and other loans to farmers included in Schedule RC-N, item 7, on the FFIEC 041, and in Schedule RC-N, item 3, on the FFIEC 031;~~
- ~~(3) Commercial and industrial loans included in Schedule RC-N, item 4, on the FFIEC 041, and in Schedule RC-N, items 4.a and 4.b, on the FFIEC 031;~~
- ~~(4) Loans to individuals for household, family, and other personal expenditures included in Schedule RC-N, items 5.a, 5.b, and 5.c;~~
- ~~(5) On the FFIEC 031, loans to foreign governments and official institutions included in Schedule RC-N, item 6;~~
- ~~(6) Obligations (other than securities and leases) of states and political subdivisions in the U.S. included in Schedule RC-N, item 7;~~
- ~~(7) Loans to nondepository financial institutions and other loans included in Schedule RC-N, item 7; and~~
- ~~(8) On the FFIEC 031, loans secured by real estate in foreign offices included in Schedule RC-N, item 1.f.~~

~~Also include in the appropriate column all covered lease financing receivables included in Schedule RC-N, item 8, above that are past due 30 days or more or are in nonaccrual status as of the report date.~~

**Item No.    Caption and Instructions**

**12.f**

**Portion of covered loans and leases included in ~~items 12.a through 12.e~~ above that is protected by FDIC loss-sharing agreements.** Report 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, ~~items 12.a.(1)(a) through 12.e~~, 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.*

item 9

in the appropriate column

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, ~~items 12.a.(1)(a) through 12.e~~, 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."

item 9

DRAFT

**Item No. Caption and Instructions**

**3** (cont.) Institutions with total fiduciary assets (item 10, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10 percent of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

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

Institutions with total fiduciary assets (item 10, sum of columns A and B) 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.

Exclude from reporting in Schedule RC-T unfunded insurance trusts, testamentary executor appointments, and any other arrangements representing potential future fiduciary accounts, such as testamentary executor appointments.

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

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

DRAFT

**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

DRAFT

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

NOTE: Item 12 is applicable only to banks filing the FFIEC 031 report form.

**12**          **Fiduciary accounts held in foreign offices.** Report the market value and number of accounts included in Schedule RC-T, items 10 and 11, above that are attributable to accounts held in foreign offices.