

INSTRUCTIONS FOR PREPARATION OF

Quarterly Savings and Loan Holding Company Report FR 2320

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General Instructions

Who Must Report

Reporting Criteria

The *Quarterly Savings and Loan Holding Company Report* (FR 2320) must be filed by top tier savings and loan holding companies exempt from initially filing Federal Reserve regulatory reports.

For tiered savings and loan holding companies. When savings and loan holding companies own or control, or are owned or controlled by, other savings and loan holding companies (i.e., are tiered savings and loan holding companies), only the top-tier holding company must file the *Quarterly Savings and Loan Holding Company Report* for the consolidated savings and loan holding company organization unless the top-tier holding company is exempt from reporting this report. If a top-tier holding company is exempt, then the lower-tier holding company must file the *Quarterly Savings and Loan Holding Company Report*. In addition, lower tier SLHCs may voluntarily file the FR 2320 or may be required to file in addition to the top-tier for safety and soundness purposes.

Where to Submit the Report

Electronic Submission

Savings and loan holding companies must submit their completed *Quarterly Savings and Loan Holding Company Report* electronically. Savings and loan holding companies should contact their district Federal Reserve Bank or go to www.frb.services.org/centralbank/reportingcentral/index.html for electronic submission procedures.

When to Submit the Report

The *Quarterly Savings and Loan Holding Company Report* (FR 2320) is required to be submitted as of March 31, June 30, September 30, and December 31.

The submission date for a savings and loan holding company to file this report is 45 calendar days after the report date. The term “submission date” is defined as the date by which the Federal Reserve must receive the savings and loan holding company’s FR 2320 report.

If the submission deadline falls on a weekend or holiday, the report must be received on the first business day after the Saturday, Sunday, or holiday. Earlier submission aids the Federal Reserve in reviewing and processing the report and is encouraged. No extensions of time for submitting reports are granted.

The FR 2320 is due by the end of the reporting day on the submission date (5:00 p.m. at each district Reserve Bank).

How to Prepare the Report

A. Applicability of GAAP, Accrual Basis, and Equity Method

Savings and loan holding companies are required to prepare and file the *Quarterly Savings and Loan Holding Company Report* (FR 2320) in accordance with generally accepted accounting principles (GAAP) as set forth in the FASB Accounting Standards Codification and these instructions. (See instructions below for insurance savings and loan holding companies preparing financial statements under statutory accounting principles.)

Where it is appropriate under GAAP to consolidate one or more of the savings and loan holding company’s subsidiaries (which may or may not include the savings association subsidiary), the amounts in the “Consolidated” column should reflect consolidation of those

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subsidiaries. The amounts in the “Parent Only” column must reflect the holding company’s investment in subsidiaries and the operations of those subsidiaries, under the equity method of accounting. Subsidiary operations, as a component of the investment account, would include dividends, earnings, and other activity updated on a quarterly basis. In the infrequent circumstance where it is not appropriate under GAAP to consolidate any of the holding company’s subsidiaries - such as a designated holding company filing the *Quarterly Savings and Loan Holding Company Report* that is a minority shareholder of the savings association and controls no other subsidiaries - the amounts in the “Consolidated” column should be left blank.

If the savings and loan holding company has a quarter end other than a calendar quarter end, the savings and loan holding company may use data from the fiscal quarter ending within the reporting calendar quarter. For example, if the savings and loan holding company’s **fiscal year end** is October, its fiscal quarter ends are January, April, July, and October. The savings and loan holding company should use its fiscal quarter ending January 31 for the March 31, April 30 for June 30, July 31 for September 30, and October 31 for December 31 of the *Quarterly Savings and Loan Holding Company Report*.

For insurance savings and loan holding companies: If the savings and loan holding company is an insurance company, and does not prepare financial statements for external use in conformity with GAAP, the institution may file data from financial statements prepared in conformity with statutory accounting principles in the “Parent Only” column. If periodic consolidated financial statements are prepared under GAAP - such as for annual reports to policyholders - data from these statements should be used in filing the FR 2320 in the appropriate “Consolidated” and “Parent Only” columns.

All reports shall be prepared in a consistent manner. The savings and loan holding company’s financial records shall be maintained in such a manner and scope so as to ensure that the *Quarterly Savings and Loan Holding Company Report* can be prepared and filed in accordance with these instructions and reflect a fair presentation of the savings and loan holding company’s financial condition and results of operations. Savings and loan holding companies should retain workpapers and other records used in the preparation of these reports.

Accrual Basis Reporting

All reports must be prepared on an accrual basis. On the accrual basis, income is recognized at the time it is earned, not necessarily when it is received. Expenses are recognized as they are incurred, not necessarily when they are paid.

Equity Method of Accounting for Investments in Bank and Nonbank Subsidiaries and Associated Companies

A savings and loan holding company in preparing its *Quarterly Savings and Loan Holding Company Report* parent company only information (column A) shall account for all investments in subsidiaries, associated companies, and those corporate joint ventures over which the savings and loan holding company exercises significant influence according to the equity method of accounting, as prescribed by GAAP.

B. Report Form Captions and Instructional Detail

No caption on the report forms shall be changed in any way. An amount or a zero should be entered for all items except where the reporting savings and loan holding company cannot report a line item because of the nature of their organization. A zero should be entered whenever a parent company can participate in an activity, but does not, on the report date, have any outstanding balances.

Questions and requests for interpretations of matters appearing in any part of these instructions should be addressed to the appropriate Federal Reserve Bank (that is, the Federal Reserve Bank in the district where the savings and loan holding company submits this report).

C. Rounding

Savings and loan holding companies must report all dollar amounts in thousands, with the figures rounded to the nearest thousand. Items less than \$500 will be reported as zero except for line item 4(a), columns A and B, “Common Stock Par Value.” See instructions for line item 4(a) for details. Rounding could result in details not adding to their stated totals. However, in order to ensure consistent reporting, the rounded detail items should be adjusted so that totals and the sums of their components are identical.

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D. Negative Entries

Except for the items listed below, negative entries are generally not appropriate on the FR 2320 and should not be reported. Hence, assets with credit balances must be reported in liability items and liabilities with debit balances should be reported in asset items, as appropriate, and in accordance with these instructions. Items for which negative entries may be made include:

- (1) Item 5(a), "Accumulated other comprehensive income."
- (2) Item 5(b), "Gains (losses) on cash flow hedges."
- (3) Item 6, "Retained earnings."
- (4) Item 7, "Other components of equity."
- (5) Item 10(a), "Net income (loss) attributable to holding company and noncontrolling interest."
- (6) Item 10(a), "Net income (loss) attributable to holding company."
- (7) Item 20, "Net cash flow from operations attributable to holding company."

When negative entries do occur in one or more of these items, they shall be recorded with a minus (-) sign rather than in parenthesis.

E. Confidentiality

The completed version of the *Quarterly Savings and Loan Holding Company Report* is available to the public upon request on an individual basis with the exception of the three report items the Federal Reserve has flagged as confidential and protected from disclosure. However, a reporting savings and loan holding company may request confidential treatment for any of the remaining report items if the savings and loan holding company is of the opinion that disclosure of specific commercial or financial information in the report would likely result in substantial harm to its competitive position, or that disclosure of the submitted information would result in unwarranted invasion of personal privacy.

A request for confidential treatment must be submitted in writing prior to the electronic submission of the report. The request must discuss in writing the justification for which confidentiality is requested and must demonstrate 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.

Information, for which confidential treatment is requested, may subsequently be released by the Federal Reserve System if the Board of Governors determines that the disclosure of such information is in the public interest.

F. Verification and Signature

Verification. All addition and subtraction should be double-checked before reports are submitted. Totals and subtotals in supporting materials should be cross-checked to corresponding items elsewhere in the reports. Before a report is submitted, all amounts should be compared with the corresponding amounts in the previous report. If there are any unusual changes from the previous report, a brief explanation of the changes should be provided to the appropriate Reserve Bank.

Signatures. The *Quarterly Savings and Loan Holding Company Report* must be signed by the Chief Financial Officer of the savings and loan holding company (or by the individual performing this equivalent function). By signing the cover page of this report, the authorized officer acknowledges that any knowing and willful misrepresentation or omission of a material fact on this report constitutes fraud in the inducement and may subject the officer to legal sanctions provided by 18 USC 1001 and 1007.

Savings and loan holding companies must maintain in their files a manually signed and attested printout of the data submitted. The cover page of the Reserve Bank-supplied, holding company's software, or from the Federal Reserve's website report form should be used to fulfill the signature and attestation requirement and this page should be attached to the printout placed in the savings and loan holding company's files.

G. Amended Reports

The Federal Reserve may require the filing of amended *Quarterly Savings and Loan Holding Company Report* if reports as previously submitted contain significant errors. In addition, a savings and loan holding company should file an amended report when internal or external auditors make audit adjustments that result in a restatement of financial statements previously submitted to the Federal Reserve.

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H. Organization of the Instruction Book

The instruction book is divided into two sections:

- (1) The General Instructions describing overall reporting requirements.
- (2) The Line Item Instructions for each section of the report.

Additional copies of this instruction book may be obtained from the Federal Reserve Bank in the district where reporting savings and loan holding company submits its *Quarterly Savings and Loan Holding Company Report*, or may be found on the Federal Reserve Board's public website (www.federalreserve.gov).

LINE ITEM INSTRUCTIONS FOR

Quarterly Savings and Loan Holding Company Report

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Line Item Instructions for Cover Page

Holding Company Number

Report the OTS docket number of the holding company. All holding company docket numbers begin with an H.

Fiscal Year End

Enter the month of the holding company's current fiscal year-end for audited financial statement purposes. In some cases this may not correspond to the tax year-end.

Stock Exchange Ticker Symbol

List the symbol if the stock of the holding company is traded on a public exchange.

SEC File Number

If the holding company must file periodic securities disclosure documents with the Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act of 1934, report the SEC file number. Examples of disclosure documents are Form 10-K and Form 10-Q.

If the reporting holding company does not file periodic securities disclosure documents with the SEC but its parent or top tier holding company does file, report the SEC file number of that parent or top tier holding company.

Website Address

If one exists, report the Internet address of the reporting holding company or of the appropriate entity within the corporate structure where publicly available financial information is available.

Line Item Instructions for PARENT ONLY - Column A

The parent holding company is an entity within the corporate structure. Parent-only reporting reflects the activities of the holding company. The parent activities

are often limited to ownership of subsidiaries, financing activities and administrative activities. The parent records investments in subsidiaries as an investment or under the equity method as prescribed by GAAP. On a parent-only basis, intra-group transactions are not eliminated.

Line Item 1, Column A: Total Assets

Report total assets on a parent only basis. Report details for components included in "Total Assets" in items 12(a) through 14, column A.

Line Item 2, Column A: Total Liabilities

Report total liabilities on a parent only basis. Report details for components included in "Total Liabilities" in items 15(a)(1) through 18, column A.

Equity:

Line Item 3, Column A: Perpetual Preferred Stock

Include:

- (1) Preferred stock that the holding company has issued that is nonredeemable by the purchaser and that qualifies as equity capital under GAAP.
- (2) Preferred stock convertible into common stock.

Report preferred stock net of issuance costs, premiums, and discounts. If the holding company issued preferred stock above par value, include the amount paid in excess of par with the par value.

Dividends on perpetual preferred stock reduce retained earnings when declared. Include them in line item 11, "Dividends Declared Attributable to Holding Company."

Do not include:

- (1) Redeemable preferred stock.

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- (2) Permanent preferred stock issued by a consolidated subsidiary.

Line Item 3(a), Column A: Cumulative

Report permanent preferred stock where the stockholders are entitled to receive unpaid dividends before the payment of dividends on other classes of stock.

Line Item 3(b), Column A: Noncumulative

Report permanent preferred stock whose dividends do not accumulate if unpaid.

Common Stock:

Line Item 4(a), Column A: Par Value

Report the par value of all outstanding common stock - permanent, reserve, or guaranty stock - that the holding company has issued.

If the par value of common stock issued is less than \$500, report "1" in this data field to indicate that it is not zero, and, if necessary, reduce the amount the holding company reports in line item 4(b), column A, "Common Stock Paid in Excess of Par" by one.

The holding company must reduce retained earnings at the time the holding company declares dividends on common stock. Report the reduction of retained earnings in line item 11, column A, "Dividends Declared Attributable to Holding Company."

Do not include deductions for:

- (1) Stock the holding company reacquired - treasury stock. Report the amount as a negative, using a minus (-) sign, in line item 7, column A, "Other Components of Equity."
- (2) Unallocated ESOP shares. Report the amount as a negative, using a minus (-) sign, in line item 7, column A, "Other Components of Equity."

Line Item 4(b), Column A: Paid in Excess of Par

Include:

- (1) Amounts paid in excess of par value from the issuance of common stock for cash or nonmonetary assets. Deduct the costs of issuing common stock.
- (2) Permanent capital contributions by the stockholders not related to the purchase of stock.

Do not include:

Paid-in capital from the issuance of preferred stock. Report this amount in line item 3(a) or 3(b), column A.

Accumulated Other Comprehensive Income:

Line Item 5(a), Column A: Accumulated Gains (Losses) on Certain Securities

Report accumulated gains (losses), net of taxes, on securities and on certain nonsecurity financial instruments, classified as available-for-sale (AFS).

Gains and losses reported here are not reported in the statement of operations until the asset is sold, or an other-than-temporary impairment loss is recognized, or this amount is amortized in accordance with the following paragraph.

Include the unamortized amount of the gain or loss at the date of transfer of debt securities transferred from AFS to held-to-maturity (HTM). Continue to report this gain or loss in this line item until it is completely amortized over the remaining life of the security as an adjustment of yield in the same manner as a discount or premium.

In addition, report on this line the amount of the other-than-temporary impairment on AFS and HTM debt securities that is related to all factors other than credit, where that amount is appropriately recognized in other comprehensive income.

Report this data field as negative, using a minus (-) sign, when the holding company's unrealized losses exceed unrealized gains.

Line Item 5(b), Column A: Gains (Losses) on Cash Flow Hedges

Report the accumulated fair value gain or loss, net of taxes, on cash flow hedges.

Line Item 5(c), Column A: Other

Report any accumulated other comprehensive income not included in line items 5(a) or 5(b), column A.

Include:

- (1) Any minimum pension liability adjustment.
- (2) Cumulative foreign currency translation adjustments and qualifying foreign currency transaction gains and losses, net of taxes.

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(3) Any other items of accumulated other comprehensive income not reported in other "Accumulated Other Comprehensive Income" line items.

Line Item 6, Column A: Retained Earnings

Retained earnings consists of the holding company's accumulated net income, less distributions to shareholders, and certain accounting adjustments.

Line Item 7, Column A: Other Components of Equity

Report amounts reported under GAAP as separate components of equity. In most cases the amounts in this data field will be negative, as these items typically reduce equity capital. Report a negative amount with a minus (-) sign.

Include:

- (1) Treasury stock.
- (2) Unearned employee stock ownership plan (ESOP) shares, when such reporting is required under GAAP.

Line Item 8, Column A: Total Equity

The Internet Electronic Submission (IESUB) software will compute this line as the sum of line items 3(a), 3(b), 4(a), 4(b), 5(a), 5(b), 5(c), 6 and 7, column A.

Generally, parent only "Total Equity" should be equal to consolidated "Total Equity" (line item 8, column B), less any amount reported on line item 7(b), "Noncontrolling Interests in Consolidated Subsidiaries."

Line Item 9, Column A: Total Liabilities and Equity

The Internet Electronic Submission (IESUB) software will compute this line as the sum of line items 2 and 8, column A. This amount should equal the amount in line item 1, column A.

Line Item 10(b), Column A: Net Income (Loss) Attributable to: Holding Company

Report the holding company's net income or loss. Include the parent holding company's proportionate share of any savings association subsidiary's income or loss. The amount reported on this line is comprised of the amounts reported in line items 19(c), 19(e), and 19(f), column A.

Line Item 11, Column A: Dividends Declared Attributable to: Holding Company

Report the cash and noncash dividends declared on preferred and common stock reported in line items 3(a), 3(b), 4(a), and 4(b), column A.

Included in Total Assets:

Line Item 12(a), Column A: Cash, Deposits, and Investment Securities

Report the total amount of cash, including deposits with financial institutions, and investment securities.

Do not include the holding company's investments in subsidiaries. Report such amounts in line item 12(c)(1) and 12(c)(2).

Receivable from Subsidiaries:

Line Item 12(b)(1), Column A: Savings Association

Report the holding company's receivable from savings association subsidiaries, which is sometimes referred to as "advances to" or "due from." Include certain ESOP borrowings reflected on the savings association's books that are reported as receivables on a parent only basis.

Line Item 12(b)(2), Column A: Other Subsidiaries

Report the holding company's receivable from subsidiaries other than savings association subsidiaries, which is sometimes referred to as "advances to" or "due from."

Investments in Subsidiaries:

Line Item 12(c)(1), Column A: Savings Association

Report the holding company's direct investment in savings association subsidiaries in a manner that reflects the equity method of accounting. In most cases, if the savings association subsidiaries are wholly owned, this line should equal the savings association's equity capital on Schedule RC, line 28 of the Call Report.

Report zero if this holding company is not the direct owner of the savings association.

Line Item 12(c)(2), Column A: Other Subsidiaries

Report the holding company's investment in subsidiaries other than savings association subsidiaries in a manner that reflects the equity method of accounting. If this holding company is not the direct owner of the savings

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association, report the holding company's investments in one or more of the mid-tier holding companies.

Intangible Assets:

Line Item 13(a), Column A: Mortgage Servicing Assets

Report the carrying amount of mortgage servicing assets.

Line Item 13(b), Column A: Nonmortgage Servicing Assets and Other

Report the balance of the parent's nonmortgage servicing assets and other intangible assets.

Include on this line intangible assets such as the following:

- (1) Goodwill.
- (2) Customer relationships and customer lists, including core deposit premiums.
- (3) Employment agreements.
- (4) Non-compete agreements.
- (5) Lease agreements.
- (6) Computer software costs.

Line Item 14, Column A: Deferred Policy Acquisition Costs

Report deferred policy acquisition costs incurred by insurance companies. Deferred policy acquisition costs include variable acquisition costs such as commissions and underwriting and policy issuance expenses related to both new and renewal insurance policies and annuities.

Line Item 15, Column A: Included in Total Liabilities (Excluding Deposits) Payable to Subsidiaries

Borrowings, as the term is used here, means short-term or long-term debt, negotiated with specified terms, usually including interest rates and repayment dates. Borrowings exclude deposits and transactional liabilities, such as accounts payable, income taxes payable, and accrued liabilities.

Savings Association Subsidiaries:

Line Item 15(a)(1), Column A: Transactional

Report the holding company's payable to savings association subsidiaries, which is sometimes referred to as "advances from" or "due to." Do not include amounts reported in line item 15(a)(2), Column A.

Line Item 15(a)(2), Column A: Debt

Report the amount of borrowings the holding company owes to the reporting savings association. Do not include amounts reported in line item 15(a)(1).

Other Subsidiaries:

Line Item 15(b)(1), Column A: Transactional

Report the holding company's payable to subsidiaries other than savings association subsidiaries, which is sometimes referred to as "advances from" or "due to." Do not include amounts reported in line item 15(b)(2), Column A.

Line Item 15(b)(2), Column A: Debt

Report the balance of the holding company's borrowings from its subsidiaries other than savings association subsidiaries. Do not include amounts reported in line items 15(b)(1) and 16, column A.

Line Item 16, Column A: Trust Preferred Instruments

Trust preferred securities are typically issued to third party investors by a wholly owned trust of the holding company. The holding company typically borrows from the trust substantially all the net proceeds from issuance of the trust preferred securities. For parent only reporting, report the balance of the holding company's borrowings from the trust that issued the trust preferred securities.

In most cases, the holding company's financial statements do not reflect consolidation of the financial statements of the trust that issued the trust preferred securities. Accordingly, the amount reported in column A of this item should be equal to the amount reported in column B of this item. If the trust is consolidated, report in column B of this item the balance of the trust preferred instruments.

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Line Item 17, Column A: Other Debt Maturing in 12 Months or Less

Report all borrowings, excluding deposits, payable to subsidiaries, and trust preferred instruments that the holding company would classify as current liabilities if the holding company were to present a classified balance sheet. Include such borrowings that, within the next 12 months, either (1) contractually mature; (2) are callable at the option of the lender; or (3) otherwise become due and payable.

Callable, as the term is used here, refers to an option by the lender to require repayment of the borrowing before its contractual maturity.

A *classified balance sheet* is one that includes subtotals for current assets and current liabilities. Most savings association holding companies do not present a classified balance sheet. However, for purposes of line item 17, columns A and B, and line item 18, columns A and B, classify all borrowings as either current or noncurrent.

Example: A holding company's borrowings, on a consolidated basis, include a FHLBank advance where the contractual maturity date is beyond the next 12 months. However, beginning on a date within the next 12 months, the FHLBank may exercise its option to require immediate repayment of the advance. The holding company should include that advance in line item 17, columns A and B.

Line Item 18, Column A: Other Debt Maturing in More Than 12 Months

Report all borrowings (other than payables to subsidiaries and trust preferred securities) except:

- (1) Debt maturing in 12 months or less reported in line item 17, columns A and B.
- (2) Deposit and escrow liabilities held by the holding company or any other subsidiary depository institution.

Reflected in Net Income:

Line Item 19(a), Column A: Interest Income

Report interest income on all interest-bearing assets, including those assets reported in line items 12(a), 12(b)(1), and 12(b)(2), column A.

Line Item 19(b), Column A: Dividends

As stated in the General Instructions to the *Quarterly Savings and Loan Holding Company Report*, the amounts in the "Parent Only" column should reflect the holding company's investment in subsidiaries, and the operations of those subsidiaries, under the equity method of accounting. Consistent with those instructions, the holding company's net income on a "Parent Only" basis, as reported in line item 10(b), column A, should reflect the holding company's equity in net income or loss of its subsidiaries. Typically, such income or loss is presented as two separate components:

- (1) Dividends from subsidiaries - that is, the distributed component, and
- (2) Equity in undistributed income or loss of subsidiaries.

Accordingly, report in line items 19(b)(1) and 19(b)(2) the dividends from subsidiaries component of the holding company's equity in net income or loss of its directly owned subsidiaries.

For example, assume that the holding company's equity in the net income of its savings association subsidiary is \$10 million; and that dividends declared by, and received from, the subsidiary are \$3 million. The holding company's net income on a parent only basis reported in line item 10(b), column A, "Net Income (Loss) Attributable to Holding Company," would include the \$10 million. The holding company would report the \$3 million in line item 19(b)(1), column A. Note that the holding company's \$7 million (\$10 million - \$3 million) undistributed income component of its equity in income of the savings association subsidiary would not be reported separately in the *Quarterly Savings and Loan Holding Company Report*.

Line Item 19(b)(1), Column A: From Savings Association Subsidiaries

Report dividends from savings association subsidiaries in which the holding company has direct ownership. Such dividends should be recognized by the holding company under the equity method of accounting.

Line Item 19(b)(2), Column A: From Other Subsidiaries

Report dividends from all other subsidiaries than savings association subsidiaries recognized by the holding company under the equity method of accounting.

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Line Item 19(c), Column A: Total Income

Report the holding company's total income from all sources, including the amounts reported in line items 19(a), 19(b)(1), and 19(b)(2), column A.

Interest Expense:

Line Item 19(d)(1), Column A: Trust Preferred Instruments

Report interest expense from borrowings from the trust that issued the trust preferred instruments.

Line Item 19(d)(2), Column A: All Other Debt

Report interest expense, *excluding* interest expense on trust-preferred instruments and on deposit and escrow liabilities held by a subsidiary depository institution.

Line Item 19(e), Column A: Total Expenses

Report the holding company's total expenses from all sources, including the amounts reported in line items 19(d)(1) and 19(d)(2).

Line Item 19(f), Column A: Total Income Taxes

Report the holding company's provision for current and deferred income taxes, determined in accordance with GAAP.

Line Item 20, Column A: Net Cash Flow From Operations Attributable to: Holding Company

Report the net increase or decrease in cash and cash equivalents from operating activities, as it would appear in a statement of cash flows prepared in accordance with GAAP. Do *not* include any change in cash and cash equivalents from investing and financing activities.

Line Item Instructions for CONSOLIDATED - Column B

Prepare the consolidated amounts in the *Quarterly Savings and Loan Holding Company Report* in accordance with GAAP unless specifically stated otherwise. All data is reported as of the end of the quarter, or in the case of income, expense, and other activity data, for the period of one calendar quarter. Report subsidiaries that are not GAAP-consolidated subsidiaries using the equity method of accounting.

Line Item 1, Column B: Total Assets

Report total consolidated assets. Report details for components included in "Total Assets" in line items 12 through 14, column B.

Line Item 2, Column B: Total Liabilities

Report total consolidated liabilities. Report details for components included in "Total Liabilities" in line items 16 through 18, column B.

Equity:

Line Item 3, Column B: Perpetual Preferred Stock

Include:

- (1) Preferred stock that the holding company has issued that is nonredeemable by the purchaser and that qualifies as equity capital under GAAP.
- (2) Preferred stock convertible into common stock.

Report preferred stock net of issuance costs, premiums, and discounts. If the holding company issued preferred stock above par value, include the amount paid in excess of par with the par value.

Dividends on perpetual preferred stock reduce retained earnings when declared. Include them in line item 11, column B, "Dividends Declared Attributable to Holding Company."

Do not include:

- (1) Redeemable preferred stock.
- (2) Permanent preferred stock issued by a consolidated subsidiary.

Line Item 3(a), Column B: Cumulative

Report permanent preferred stock where the stockholders are entitled to receive unpaid dividends before the payment of dividends on other classes of stock.

Line Item 3(b), Column B: Noncumulative

Report permanent preferred stock whose dividends do not accumulate if unpaid.

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Common Stock:

Line Item 4(a), Column B: Par Value

Report the par value of all outstanding common stock - permanent, reserve, or guaranty stock - that the holding company has issued.

If the par value of common stock issued is less than \$500, report "1" in this data field to indicate that it is not zero, and, if necessary, reduce the amount reported in line item 4(b), column B by one.

The holding company must reduce retained earnings at the time that the holding company declares dividends on common stock. Report the reduction of retained earnings in line item 11, column B, "Dividends Declared Attributable to Holding Company."

Do not include deductions for:

- (1) Stock the holding company reacquired - treasury stock. Report as a negative, using a minus (-) sign, in line item 7, column B, "Other Components of Equity."
- (2) Unallocated ESOP shares. Report as a negative, using a minus (-) sign, in line item 7, column B, "Other Components of Equity."

Line Item 4(b), Column B: Paid in Excess of Par

Include:

- (1) Amounts paid in excess of par value from the issuance of common stock for cash or nonmonetary assets. Deduct the costs of issuing common stock.
- (2) Permanent capital contributions by the stockholders not related to the purchase of stock.

Do not include:

Paid-in capital from the issuance of preferred stock. Report in line items 3(a) or 3(b), Column B, "Perpetual Preferred Stock."

Accumulated Other Comprehensive Income

Line Item 5(a), Column B: Accumulated Gains (Losses) on Certain Securities

Report accumulated gains (losses), net of taxes, on securities and on certain nonsecurity financial instruments, classified as available-for-sale (AFS).

Gains and losses reported here are not reported in the statement of operations until the asset is sold, or an other-than-temporary impairment loss is recognized, or this amount is amortized in accordance with the following paragraph.

Include the unamortized amount of the gain or loss at the date of transfer of debt securities transferred from AFS to held-to-maturity (HTM). Continue to report this gain or loss on this line until it is completely amortized over the remaining life of the security as an adjustment of yield in the same manner as a discount or premium.

In addition, report on this line the amount of the other-than-temporary impairment on AFS and HTM debt securities that is related to all factors other than credit, where that amount is appropriately recognized in other comprehensive income.

Report this data field as negative, using a minus (-) sign, when the holding company's unrealized losses exceed unrealized gains.

Line Item 5(b), Column B: Gains (Losses) on Cash Flow Hedges

Report the accumulated fair value gain or loss, net of taxes, on cash flow hedges.

Line Item 5(b), Column B: Other

Report any accumulated other comprehensive income not included in line items 5(a) or 5(b), column B.

Include:

- (1) Any minimum pension liability.
- (2) Cumulative foreign currency translation adjustments and qualifying foreign currency transaction gains and losses, net of applicable income taxes.
- (3) Any other items of accumulated other comprehensive income not reported in other Accumulated Other Comprehensive Income line items.

Line Item 6, Column B: Retained Earnings

Retained earnings consists of the holding company's accumulated net income, less distributions to shareholders, and certain accounting adjustments.

Line Item 7, Column B: Other Components of Equity

Report amounts reported under GAAP as separate components of equity. In most cases the amounts in this data

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field will be negative, as these items typically reduce equity capital. Report a negative amount with a minus (-) sign.

Include:

- (1) Treasury stock.
- (2) Unearned employee stock ownership plan (ESOP) shares.

Line Item 7(a), Column B: Total Holding Company Equity

The Internet Electronic Submission (IESUB) software will compute this line as the sum of line items 3(a), 3(b), 4(a), 4(b), 5(a), 5(b), 5(c), 6, and 7.

This subtotal excludes noncontrolling interests in consolidated subsidiaries.

Line Item 7(b), Column B: Noncontrolling Interests in Consolidated Subsidiaries

Include:

- (1) Common and perpetual preferred stock issued by the holding company's consolidated subsidiaries to third parties that constitute a noncontrolling interest.

For any net income or loss attributable to a noncontrolling interest in a consolidated subsidiary, see the instructions for line item 10(b), column A, "Net Income (Loss) Attributable to Holding Company."

Do not include:

- (1) Mandatorily redeemable preferred stock that must be classified as a liability under GAAP. Report this amount in line item 2, column B, "Total Liabilities."
- (2) Redeemable and perpetual preferred stock that was issued by consolidated subsidiaries and is owned by the holding company or its other subsidiaries as an investment asset. When making consolidating entries, eliminate the preferred stock of the consolidated subsidiary.

Line Item 8, Column B: Total Equity

The Internet Electronic Submission (IESUB) software will compute this line as the sum of line items 7(a) and 7(b), column B.

Generally, consolidated "Total Equity" should be equal to parent only "Total Equity" in line item 8, column A,

plus "Noncontrolling Interests in Consolidated Subsidiaries" in line item 7(b), column B.

Line Item 9, Column B: Total Liabilities and Equity

The Internet Electronic Submission (IESUB) software will compute this line as the sum of line items 2 and 8, column B. This amount should equal that in line item 1, column B.

Line Item 10(a), Column B: Net Income (Loss) Attributable to Holding Company and Noncontrolling Interests

Report net income or loss on a consolidated basis, including the net income or loss attributable to noncontrolling interests in consolidated subsidiaries. The amount reported on this line is comprised of the amounts reported in line items 19(c), 19(e), and 19(f) column B.

Line Item 10(b), Column B: Net Income (Loss) Attributable to Holding Company

Report net income or loss on a consolidated basis attributable to the holding company only; that is, without regard to the net income or loss attributable to noncontrolling interests in consolidated subsidiaries.

Line Item 11, Column B: Dividends Declared Attributable to: Holding Company

Report the cash and noncash dividends declared on preferred and common stock reported in line items 3(a), 3(b), 4(a), and 4(b), column B, which are attributable to the holding company. **Do not** include dividends attributable to noncontrolling interests in consolidated subsidiaries.

Included in Total Assets:

Line Item 12(a), Column B: Cash, Deposits, and Investment Securities

Report the total amount of cash, including deposits with financial institutions, and investment securities.

Do not include the holding company's investments in consolidated subsidiaries, as such amounts should be eliminated in consolidation.

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Intangible Assets:

Line Item 13(a), Column B: Mortgage Servicing Assets

Report the carrying amount of mortgage servicing assets.

Line Item 13(b), Column B: Nonmortgage Servicing Assets and Other

Report the balance of the total consolidated nonmortgage servicing assets and other intangible assets. See line item 13(b), column A, for further explanation.

Line Item 14, Column B: Deferred Policy Acquisition Costs

Report deferred policy acquisition costs incurred by insurance companies. Deferred policy acquisition costs include variable acquisition costs such as commissions and underwriting and policy issuance expenses related to both new and renewal insurance policies and annuities.

Line Item 16, Column B: Trust Preferred Instruments

Where the holding company's financial statements reflect consolidation of the financial statements of the trust that issued the trust preferred securities, report the balance of the trust preferred securities - not the balance of the holding company's borrowings from the trust. Where the trust's financial statements are consolidated with those of the holding company, the holding company's borrowings from the trust are eliminated in consolidation. Refer to line items 16, column A, for additional information on reporting of Trust Preferred Instruments. In most cases, the holding company's financial statements do not reflect consolidation of the financial statements of the trust. Accordingly, report the balance of the holding company borrowings from the trust.

Line Item 17, Column B: Other Debt Maturing in 12 Months or Less

Report all other borrowings (on a consolidated basis), excluding deposits, trust preferred instruments and intercompany borrowings not eliminated in consolidation, that will mature in less than 12 months. If a direct savings association ownership by the parent exists, then this line should include the proportionate ownership of FHLB advances, repurchase agreements, and most of the items that would meet the definition of borrowings as reported on Schedule RC of the Call Report at the savings

association level. Intercompany accounts between all entities included in this consolidation should be eliminated. See line item 17, column A, for further explanation.

Line Item 18, Column B: Other Debt Maturing in More than 12 Months

Report other borrowings (on a consolidated basis), that will mature in more than 12 months. If a direct savings association ownership by the parent exists, then this line should include the proportionate ownership of FHLB advances, repurchase agreements, and most of the items that would meet the definition of borrowings as reported on Schedule RC of the Call Report at the savings association level. Intercompany accounts between all entities included in this consolidation should be eliminated. See line item 18, column A, for further explanation.

Reflected in Net Income:

Line Item 19(a), Column B: Interest Income

Report interest income on all interest-bearing assets, including those assets reported in line item 12(a), column B.

Line Item 19(c), Column B: Total Income

Report the holding company's total income from all sources, including the amount reported in line item 19(a), column B.

Interest Expense

Line Item 19(d)(1), Column B: Trust Preferred Instruments

Where the holding company's financial statements do not reflect consolidation of the financial statements of the trust that issued the trust preferred instruments, report interest expense on the borrowings from the trust that issued the trust preferred instruments. (In this case, line item 16, column A, and line item 16, column B, will be equal). If the trust is consolidated, report in line item 19(d)(1), column B, the dividends paid on the trust preferred instruments. (When the financial statements of the trust are consolidated with those of the holding company, the interest expense on the holding company's borrowings from the trust is eliminated in consolidation.)

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Line Item 19(d)(2), Column B: All Other Debt

Report interest expense, excluding interest expense on trust preferred instruments reported in line item 19(d)(1), column B.

Line Item 19(e), Column B: Total Expenses

Report the holding company's total expenses from all sources, including the amounts reported in line items 19(d)(1) and 19(d)(2), column B.

Line Item 19(f), Column B: Total Income Taxes

Report the holding company's provision for current and deferred income taxes on a consolidated basis, determined in accordance with GAAP.

Cash Flow:

Line Item 20, Column B: Net Cash Flow from Operations Attributable to Holding Company

Report the net increase or decrease in cash and cash equivalents from operating activities, as it would appear in a statement of cash flows prepared in accordance with GAAP. Do not include any change in cash and cash equivalents from investing and financing activities, or from operating activities attributable to noncontrolling interests.

Line Item Instructions for Supplemental Questions (Line items 24, 25, and 26 are for the confidential use of the Federal Reserve)

Answer Supplemental Questions (line items 21 through 30(e)) for each designated holding company and its subsidiaries for activities that occurred during the quarter. Line items 21 through 29 require either a *Yes* or *No* answer - enter "1" for *Yes*, "0" for *No*. Line items 30(a) through 30(e) may be left blank if not applicable.

For purposes of the Supplemental Questions only (line items 21 through 29):

A *subsidiary* means any company which is owned or controlled directly or indirectly by a person, and includes any service corporation owned in whole or in part by a savings association, or a subsidiary of such service corporation. As the terms are used here, a "subsidiary" may be a company whose assets and liabilities are not consolidated with those of the holding company, and a "person" is an individual or company.

A *significant subsidiary* is a subsidiary that meets any of the following criteria:

- Accounts for five percent or more of the consolidated assets of the holding company
- Accounts for five percent or more of the consolidated gross revenue of the holding company
- Engages in transactions with the savings association as described in Regulation W (12 CFR part 223).

Line Item 21: Have any significant subsidiaries of the holding company been formed, sold, or dissolved during the quarter?

Enter "1" (Yes) only if this activity occurred during this quarter. Do not include any organizational structure changes that occurred during a prior period. A significant subsidiary accounts for five percent or more of the consolidated assets of the structure or five percent or more of the consolidated gross revenue of the structure, or engages in covered transactions with the savings association as described in Regulation W (12 CFR part 223). If the holding company is an insurance company, do not include a response for activity in Separate Accounts.

Line Item 22: Is the holding company or any of its affiliates:

Enter "1" (Yes) for each that may apply to any organization within the holding company structure, including the holding company itself. More than one may be checked, if appropriate. Enter "0" (No) if not applicable.

Line Item 22(a): A broker or dealer registered under the Securities and Exchange Act of 1934?

Line Item 22(b): An investment adviser regulated by the Securities and Exchange Commission or any State?

Line Item 22(c): An investment company registered under the Investment Company Act of 1940?

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Line Item 22(d): An insurance company subject to supervision by a State insurance regulator?

Line Item 22(e): Subject to regulation by the Commodity Futures Trading Commission?

Line Item 22(f): Conducting operations outside of the U.S. through a foreign branch or subsidiary?

Line Item 23: Has the holding company appointed any new senior executive officers or directors during the quarter?

Enter "1" (Yes) only if there has been a change during the quarter.

Line Item 24: Has the holding company or any of its subsidiaries entered into a new pledge, or changed the terms and conditions of any existing pledge, of capital stock of any subsidiary savings association that secures short-term or long-term debt or other borrowings of the holding company?

Enter "1" (Yes) only if there has been a change during the quarter.

Line Item 25: Has the holding company or any of its subsidiaries implemented changes to any class of securities that would negatively impact investors?

Enter "1" (Yes) only if there has been a change during the quarter. Examples of a change that could negatively impact investors could include, but is not limited to: default terms, collateral substitution, changes in repayment dates, interest payment dates, voting rights, or conversion options.

Line Item 26: Has there been any default in the payment of principal, interest, a sinking or purchase fund installment, or any other default of the holding company or any of its subsidiaries during the quarter?

Enter "1" (Yes) only if there has been a default during the quarter.

Line Item 27: Has there been a change in the holding company's independent auditors during the quarter?

Enter "1" (Yes) only if there has been a change during the quarter.

Line Item 28: Has there been a change in the holding company's fiscal year-end during the quarter?

Enter "1" (Yes) only if there has been a change during the quarter.

Line Item 29: Does the holding company or any of its GAAP consolidated subsidiaries (other than the savings association filing the Call Report) control other U. S. depository institutions?

Enter "1" (Yes) if the holding company controls a U. S. depository institution (federal or state chartered) and it is included in its consolidated financial statements.

Line Item 30(a) through 30(e): If located in the U.S. or its territories, provide the FDIC certificate number:

If the answer to line item 29 is "Yes," list the five digit FDIC certificate number for each institution. If the answer to line item 29 is "No," these lines should be left blank.