Instructions for Preparation of Parent Company Only Financial Statements for Large Bank Holding Companies

General Instructions

All bank holding companies, regardless of size, are required to submit financial statements to the appropriate Federal Reserve Bank, unless specifically exempted (see description of exemptions below).

Who Must Report on What Forms

The specific reporting requirements for each bank holding company depend upon the size of the holding company, whether the holding company engages in a nonbank activity (either directly or indirectly) involving financial leverage or engages in credit extending activities, or whether the bank holding company has debt outstanding to the general public. Bank holding companies must file the appropriate forms as described below:

(1) **Bank Holding Companies with Total Consolidated Assets of $150 Million or More and All Multibank Holding Companies with Debt Outstanding to the General Public[1] or Engaged in Certain Nonbanking Activities[2]**—Bank holding companies with total consolidated assets of $150 million or more (the top-tier of a multi-tiered holding company, when applicable) and all multibank bank holding companies (i.e., owning or controlling more than one bank as defined by Regulation Y) with debt outstanding to the general public, or engaged in certain nonbanking activities (as defined above), regardless of size, must file:

(a) the *Consolidated Financial Statements for Bank Holding Companies (FR Y-9C)* quarterly, as of the last calendar day of March, June, September, and December. The FR Y-9C consists of Schedules HC, HC-A through HC-J, HI, HI-A, and HI-B.

(b) the *Parent Company Only Financial Statements for Large Bank Holding Companies (FR Y-9LP)* quarterly, as of the last calendar day of March, June, September, and December.

Each bank holding company that files the FR Y-9C must submit the FR Y-9LP for its parent company.

The FR Y-9LP consists of Schedules PC, PC-A, PC-B, PI, and PI-A.

For tiered bank holding companies—When bank holding companies with total consolidated assets of $150 million or more, or multibank holding companies with debt outstanding to the general public or engaged in certain nonbank activities (as defined) own or control, or are owned or controlled by, other bank holding companies (i.e., are tiered bank holding companies), only the top-tier holding company must file the FR Y-9C for the consolidated bank holding company organization.

EXCEPTION: If a bank holding company owns or controls other bank holding companies that have total consolidated assets of $1 billion or more, that top-tier bank holding company must submit a FR Y-9C for each such lower-tiered banking organization.

In addition, such tiered bank holding companies, regardless of the size of the subsidiary bank holding company, must also submit, or have the bank holding company subsidiary submit, a separate FR Y-9LP for each lower-tier bank holding company.

1. Debt outstanding to the general public is defined to mean debt held by parties other than financial institutions, officers, directors, and controlling shareholders of the banking organization or their related interests.

2. Engaged in certain nonbanking activities is defined to mean engaged in a nonbank activity (either directly or indirectly) involving financial leverage or engaged in credit extending activities. Financial leverage is the use of debt to supplement the equity in a company's capital structure.

(2) **One Bank Holding Companies With Total Consolidated Assets of Less Than $150 Million**—One bank holding companies with total consolidated assets of less than $150 million must file the *Parent Company Only Financial Statements for Small Bank Holding Companies* (FR Y-9SP) on a semiannual basis, as of the last calendar day of June and December.

(3) **Multibank Holding Companies with Total Consolidated Assets of Less than $150 Million, Without any Debt Outstanding to the General Public and Not Engaged in Certain Nonbanking Activities (as Defined)—**These organizations may file the Parent Company Only Financial Statements for Small Bank Holding Companies (FR Y-9SP) on a semiannual basis, as of the last calendar day of June and December. Before March 1994, all multibank holding companies were required to file the Consolidated Financial Statements for Bank Holding Companies (FR Y-9C), regardless of size. **However, the Reserve Bank with whom the reporting bank holding company (meeting the criteria described above) files its reports may require that the consolidated report be submitted to meet supervisory needs.**

For tiered bank holding companies—When bank holding companies with total consolidated assets of less than $150 million, without any debt outstanding to the general public and not engaged in certain nonbank activities (as defined), own or control, or are owned or controlled by, other bank holding companies (i.e., are tiered bank holding companies), the top-tier holding company must file the FR Y-9SP for the top-tier parent company of the bank holding company. In addition, such tiered bank holding companies, must also submit, or have the bank holding company subsidiary submit, a separate FR Y-9SP for each lower-tier bank holding company.

NOTE: When a bank holding company that has total consolidated assets of less than $150 million is a subsidiary of a bank holding company with total consolidated assets of $150 million or more, the bank holding company that has total consolidated assets of less than $150 million would report on the FR Y-9LP rather than the FR Y-9SP.

Exemptions from Reporting the Bank Holding Company Financial Statements

The following bank holding companies do not have to file bank holding company financial statements:

(1) a bank holding company that has been granted an exemption under Section 4(d) of the Bank Holding Company Act; or

(2) ''qualified foreign banking organization'' as defined by section 211.23(b) of Regulation K (12 CFR 211.23(b)) that controls a U.S. subsidiary bank.

Bank holding companies that are not required to file under the above criteria may be required to file this report by the Federal Reserve Bank of the district in which they are registered.

Frequency of Reporting

The Parent Company Only Financial Statements for Large Bank Holding Companies (FR Y-9LP) are required to be submitted quarterly by all bank holding companies.

Shifts in Reporting Status

A one bank holding company that acquires ownership or control of a second bank either directly or, indirectly through the merger with another bank holding company, should continue to file the FR Y-9SP if its total consolidated assets remain at less than $150 million and it does not have any amount of debt outstanding to the general public and is not engaged in certain nonbank activities (as defined).

When a one bank holding company acquires ownership or control of a second bank (i.e., becomes a multibank holding company), either directly or indirectly through the merger with another bank holding company and also has debt outstanding to the general public or engages in certain nonbank activities (as defined), it must begin to file the FR Y-9C and FR Y-9LP (rather than the FR Y-9SP) report forms for the first quarterly report date following the acquisition or merger.

A one bank holding company that reaches $150 million or more in total consolidated assets should begin reporting on the FR Y-9C report form in the quarter following the report on which its total consolidated assets reaches or exceeds $150 million. In general, once a bank holding company begins filing the FR Y-9C, it must always file the FR Y-9C.

When a multibank holding company through the consolidation or sale of its banks becomes a one bank holding company, it may file the FR Y-9SP (rather than the FR Y-9C and FR Y-9LP) if its total consolidated assets are below $150 million. **However, the Reserve Bank with which the reporting bank holding company files its reports may require, after notifying the holding company, that the consolidated report be submitted to meet supervisory needs.**

Organization of the Instruction Book

The instruction book is divided into three sections:

(1) The General Instructions, which describe overall reporting requirements.

(2) The Line Item Instructions for the balance sheet and each schedule of the condition statement for the parent company only of the bank holding company.

(3) The Line Item Instructions for the income report for the parent company only of the bank holding company.

Additional copies of this instruction book may be obtained from the Federal Reserve Bank in the district where the reporting bank holding company submits its FR Y-9LP reports.

Preparation of the Reports

Bank holding companies are required to prepare and file the Parent Company Only Financial Statements for Large Bank Holding Companies in accordance with generally accepted accounting principles(GAAP) and these instructions. All reports shall be prepared in a consistent manner.

The bank holding company's financial records shall be maintained in such a manner and scope so as to ensure that the Parent Company Only Financial Statements for Large Bank Holding Companies can be prepared and filed in accordance with these instructions and reflect a fair presentation of the bank holding company's financial condition and results of operations. 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 bank holding company submits this report).

Applicability of Generally Accepted Accounting Principles to Bank Holding Company Reporting Requirements

It should be noted that the presentation by bank holding companies of assets, liabilities, and stockholders' equity and the recognition of income and expenses should be reported in accordance with GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. Bank holding companies are required to report certain other accounts or types of transactions on schedules to the balance sheet and income statement. In addition, these instructions designate where a particular asset or liability should be reported, not whether it should be reported or the value at which it should be reported. (For example, if GAAP classifies a transaction as U.S. Treasury securities and these instructions classify the transaction as other debt securities, the transaction should be reported as other debt securities.)

There may be areas in which a bank holding company wishes more technical detail on the application of accounting standards and procedures to the requirements of these instructions. Such information may often be found in the appropriate entries in the Glossary section of the instructions for the Consolidated Financial Statements for Bank Holding Companies (Form FR Y-9C) or, in more detail, in APB Opinions and FASB Statements. Selected opinions and statements of these accounting organizations are referenced in the instructions, where appropriate. The accounting entries in the Glossary of the FR Y-9C instructions are intended only to serve as an aid in specific reporting situations; they do not, and are not intended to, constitute a comprehensive statement on accounting for bank holding companies.

Signatures

The Parent Company Only Financial Statements for Bank Holding Companies must be signed by an authorized officer of the bank holding company.

General Instructions

Submission of the Report

The reports are to be submitted for each report date on the report forms provided by the Federal Reserve Bank in the district where the majority of the parent bank holding company's subsidiary commercial bank deposits are located or where the bank holding company has traditionally reported. No caption on the report forms shall be changed in any way.

No item is to be left blank. An entry must be made for each item, i.e., an amount, a zero, or a "N/A."

A "N/A" should be entered only if the reporting bank holding company cannot report a line item because of the nature of their organization. For example, if the parent company does not own nonbank subsidiaries, "N/A" should be entered in Schedule PC-A, items 2(a) and 2(b) and in Schedule PI, item 1(b). Also if the parent company does not, directly or indirectly, own any subsidiary bank holding companies, a "N/A" should be entered in Schedule PC-A, items 3(a) and 3(b), 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.

All reports shall be made out clearly and legibly by typewriter or in ink. Reports completed in pencil will not be accepted.

Bank holding companies may submit computer printouts in a format identical to that of the report form, including all item and column captions and other identifying numbers.

Where to Submit the Reports

The completed and manually signed original reports and the number of copies specified by the Reserve Bank are to be submitted to the Federal Reserve Bank in the district where the majority of the top-tier bank holding company's commercial bank deposits are located or where the bank holding company has traditionally reported.

Legible photocopies are preferred. However, when carbons are used to prepare copies, the copies must be legible and prepared carefully to ensure that the figures and other information appear in the correct position on all copies. All copies shall bear the same signatures as on the originals, but these signatures may be facsimiles or photocopies.

Electronic submission of Report Forms. Beginning with the March 1992 reports, some Federal Reserve Banks offered all holding companies in their Districts the option of submitting their FR Y-9C and FR Y-9LP electronically. Any bank holding company interested in submitting the FR Y-9LP electronically should contact the Federal Reserve Bank in the district where the majority of the top-tier bank holding company's commercial bank deposits are located or where the bank holding company has traditionally reported. Bank holding companies choosing to submit these reports electronically must maintain in their files a manually signed and attested printout of the data submitted. The cover page of the Reserve Bank supplied report forms received for that report date should be used to fulfill the signature and attestation requirement and this page should be attached to the printout placed in the bank holding company's files.

Submission Date

The completed Parent Company Only Financial Statements for Large Bank Holding Companies shall be submitted no more than 45 calendar days after the report date. For example, the June 30 report shall be submitted by August 14 and the September 30 report shall be submitted by November 14. Earlier submission would aid the Federal Reserve in reviewing and processing the reports and is encouraged. No extensions of time for submitting reports are granted.

The reports are due by the end of the reporting day on the submission date (i.e., 5:00 P.M. at each of the Reserve Banks). The filing of a bank holding company's completed report will be considered timely, regardless of when the reports are received by the appropriate Federal Reserve Bank, if these reports are mailed first class and postmarked no later than the third calendar day preceding the submission deadline. In the absence of a postmark, a bank holding company whose completed FR Y-9LP is received late may be called upon to provide proof of timely mailing. A "Certificate of Mailing" (U.S. Postal Service Form 3817) may be used to provide such proof. If an overnight delivery service is used, entry of the completed original reports into the delivery system on the day before the submission deadline will constitute timely submission. In addition, the hand delivery of the completed original reports on or before the submission deadline to the location to which the reports would otherwise be mailed is an acceptable alternative to mailing such reports. Bank holding companies that are unable to obtain the required officer signature on their completed original reports in sufficient time to file these reports so that they are received by the submission deadline may contact the district Federal Reserve Bank to which they mail their original reports to arrange for the timely submission of their report data and the subsequent filing of their signed reports.

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

Amended Reports

The Federal Reserve may require the filing of amended Parent Company Only Financial Statements for Large Bank Holding Companies if reports as previously submitted contain significant errors. In addition, a bank 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.

In addition, the Federal Reserve requests bank holding companies that have restated their prior period financial statements as a result of an acquisition accounted for on a pooling of interest basis to submit revised reports for the prior year-ends. In the event that certain of the required data is not available, bank holding companies should contact the appropriate Reserve Bank for information on submitting revised reports.

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

Each bank holding company in preparing its parent company only financial statements shall account for all investments in subsidiaries, associated companies, and those corporate joint ventures over which the bank holding company exercises significant influence according to the equity method of accounting, as prescribed by GAAP. The equity method of accounting is described in Schedule PC, item 5. (Refer to the instructions for Schedule PC, item 5, ‘‘Investments in and receivables due from subsidiaries and associated companies,’’ for the definitions of the terms subsidiary, associated company, and corporate joint venture.)

Confidentiality

The completed version of this report is available to the public upon request on an individual basis. However, a reporting bank holding company may request confidential treatment for the Parent Company Only Financial Statements for Large Bank Holding Companies (FR Y-9LP) if the bank 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 concurrently with the 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.

WHEN CONFIDENTIAL TREATMENT IS REQUESTED, THE FR Y-9LP COVER SHEET SHOULD BE LABELED ‘‘CONFIDENTIAL.’’ THIS INFORMATION SHOULD BE SPECIFICALLY IDENTIFIED AS BEING CONFIDENTIAL.

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.

Miscellaneous General Instructions

Rounding

All bank 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. Rounding may 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 the totals and the sums of their components are identical.

On the Parent Company Only Financial Statements for Large Bank Holding Companies, ''Total assets'' (Schedule PC, item 10) and ''Total liabilities and equity capital'' (Schedule PC, item 21), which must be equal, must be derived from unrounded numbers and then rounded in order to ensure that these two items are equal as reported.

Negative Entries

Except for the items listed below, negative entries are generally not appropriate on the FR Y-9LP 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. The items for which negative entries may be made, if appropriate, are:

(1) Schedule PC, item 5, ''Investments in unconsolidated subsidiaries and associated companies,''

(2) Schedule PC, item 20(d), ''Retained Earnings,'' and

(3) Schedule PC, item 20(e), ''Net unrealized holding gains (losses) on available-for-sale securities.''

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

On the Parent Company Only Income Statement (Schedule PI) and Schedule PI-A ''Cash Flow Statement,'' negative entries may appear, as appropriate. Income items with a debit balance and expense items with a credit balance must be reported in parentheses.

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 attached to the submitted reports.

Bank holding companies should retain workpapers and other records used in the preparation of these reports.

LINE ITEM INSTRUCTIONS FOR THE

Parent Company Only Financial Statements—Parent Company Only Balance Sheet—Schedule PC

Assets

Line Item 1 Cash and balances due from depository institutions.

Report in the appropriate item below all currency and coin, demand, time and savings balances, and other cash items due from any depository institution. Balances due from depository institutions that are subsidiaries or affiliated institutions should be reported on item 1(a). Balances due from all other (i.e., unrelated, or third party) depository institutions should be reported on item 1(b).

Affiliated depository institutions include those institutions that have a direct or indirect relationship with the reporting parent bank holding company.

Overdrafts should not be reported in this item. Overdrafts with subsidiaries or affiliated companies should be reported under item 18, ''Balances due to subsidiaries and related institutions''. Overdrafts with unrelated or third party depository institutions should be reported under item 13(b), ''Borrowings with a remaining maturity of one year or less: Other borrowings.''

Line Item 1(a) Balances with subsidiary or affiliated depository institutions.

Report all currency and coin, demand, time and savings balances, and other cash items due from, or held with, subsidiary or affiliated depository institutions.

Line Item 1(b) Balances with unrelated depository institutions.

Report all currency and coin, demand, time and savings balances, and other cash items due from, or held with, unrelated depository institutions.

Line Item 2 Securities.

Report in the appropriate item below the value of all U.S. Treasury securities, obligations of other U.S. Government agencies and corporations, obligations of States and political subdivisions, bonds, notes, debentures, stock, etc. *Exclude* investments in subsidiaries and associated companies, which are to be reported in item 5 below.

Securities designated as available-for-sale are to be reported at fair value. Securities designated as held-to-maturity are to be reported at amortized cost. Include the amortization of premiums and accretion of discounts.

Net unrealized holding gains and losses on available-for-sale securities shall be reported in Schedule PC, item 20.e.

The fair value of securities should be determined, to the extent possible, by timely reference to the best available source of current market quotations or other data on relative current value. For example, securities traded on national, regional, or foreign exchanges or on organized over-the-counter markets should be valued at the most recently available quotation in the most active market. Quotations from brokers or others making markets in securities that are neither widely nor actively traded are acceptable if prudently used. Unrated debt securities for which no reliable market price data are available may be valued at cost adjusted for amortization of premium or accretion of discount unless credit problems of the obligor or upward movements in the level of interest rates warrant a lower estimate of current value.

Line Item 2(a) U. S. Treasury securities.

Report the appropriate value (i.e., fair value for U.S. Treasury securities designated as available-for-sale and amortized cost for U.S. Treasury securities designated as held-to-maturity) of all U.S. Treasury securities, including all bills, certificates of indebtedness, notes, bonds, and any securities issued under the Separate Trading of

Registered Interest and Principal of Securities (STRIPS) program.

Exclude all obligations of U.S. Government agencies and corporations (report in item 2(b)) and detached Treasury security coupons and ex-coupon Treasury securities held as the result of either their purchase or the holding company's stripping of such securities and Treasury receipts such as CATs, TIGRs, COUGARs, LIONs, AND ETRs (report in item 2(c)).

Line Item 2(b) Securities of U.S. Government agencies and corporations and securities issued by states and political subdivisions.

Report in this item the appropriate value (i.e., fair value or amortized cost) of all securities of U.S. Government agencies and corporations (including U.S. Government-sponsored agencies), other than the U.S. Treasury. Also include all securities issued by states and political subdivisions in the U.S.

For purposes of this item, states and political subdivisions in the U.S. include:

(1) the fifty States of the United States and the District of Columbia and their counties, municipalities, school districts, irrigation districts, and drainage and sewer districts; and

(2) the governments of Puerto Rico and of the U.S. territories and possessions and their political subdivisions.

Line Item 2(c) Other debt and equity securities.

Report in this item all debt securities (not reported in item 2(a) or 2(b) above) and all equity securities held by the parent bank holding company.

Exclude all debt and equity investments in subsidiaries and associated companies, which are to be reported in item 5 below.

Include as debt securities: bonds, notes, and debentures (including equipment trust certificates and collateralized mortgage obligations) and detached U.S. Government security coupons and ex-coupon U.S. Government securities held as the result of either their purchase or the holding company's stripping of such securities and Treasury receipts such as CATs, TIGRs, COUGARs, LIONs, AND ETRs.

Debt securities designated as available-for-sale shall be reported at fair value. Debt securities designated as held-to-maturity shall be reported at amortized cost.

Include as equity securities: common stock, perpetual preferred stock, and warrants. All equity securities owned by the parent company shall be carried at fair value and are defined as ''available-for-sale'' securities in accordance with FASB Statement No. 115. Equity securities that do not have readily determinable fair values shall be reported at historical cost. Also, in accordance with FASB Statement No. 115, preferred stock that by its terms either must be redeemed by the issuing enterprise or is redeemable at the option of the investor (i.e., redeemable preferred stock) is not considered an equity security.

Line Item 3 Securities purchased under agreements to resell.

Report in this item securities purchased under agreements to resell other than securities purchased under resale agreements to maturity (report resale agreements to maturity as a purchase of the underlying security).

Exclude from this item any securities purchased from direct or indirect subsidiaries of the parent bank holding company under agreements to resell. Such transactions should be reported in item 5 below.

When the subsidiary bank holding company in a multi-tier organization is submitting this report, its transactions with its parent(s) or with subsidiaries of its parent(s) should be *excluded* from this item and reported in item 9 below.

Line Item 4 Loans and lease financing receivables.

Line Item 4(a) Loans.

Report in the appropriate subitems all loans by domicile (U.S. and non-U.S.).

Loans are extensions of credit resulting from either direct negotiation between the bank holding company itself and its customers or the purchase of such assets from others.

Loans may take the form of promissory notes, acknowledgments of advance, due bills, invoices, overdrafts, commercial paper, acceptances held, factoring account receivables, customers' liability on trade acceptances, and similar written or oral obligations.

Exclude loans and advances to subsidiaries and associated companies (to be reported in Item 5, ''Investments in and receivables due from subsidiaries and associated companies''). Also exclude securities purchased under agreements to resell, which are to be reported in item 3 above.

Domicile is used to determine the foreign (non-U.S. addressee) or domestic (U.S. addressee) status of a customer of the reporting parent company of a bank holding company for the purposes of these reports. Domicile is determined by the principal residential address of an individual or the principal business address of a corporation, partnership, or sole proprietorship. If other addresses are used for correspondence or other purposes, only the principal address, insofar as it is known to the reporting bank holding company, should be used in determining whether a customer should be regarded as a U.S. or non-U.S. addressee. For purposes of defining customers of the reporting bank holding company, U.S. addressees include residents of the 50 states of the United States, the District of Columbia, Puerto Rico, and U.S. territories and possessions. Non-U.S. addressees include residents of any foreign country. The term non-U.S. addressee generally includes foreign-based subsidiaries of other U.S. banks and bank holding companies.

Line Item 4(a)(1) To U.S. addressees (domicile).

Report all loans to U.S. addressees.

Line Item 4(a)(2) To non-U.S. addressees (domicile).

Report all loans to non-U.S. addressees.

Line Item 4(b) Less: Unearned income on loans.

To the extent possible, the preferred treatment is to report the specific loan categories net of unearned income. The reporting parent company should enter in this item unearned income only to the extent that it is not deducted from items 4(a)(1) and 4(a)(2) above. If the reporting parent company reports each loan item net of unearned income, enter a zero or the word ''none.''

Line Item 4(c) Loans, net of unearned income.

Report the sum of items 4(a)(1) and 4(a)(2) less the amount reported in item 4(b).

Line Item 4(d) Lease financing receivables, net of unearned income.

Report the book value of all lease financing receivables, net of unearned income. *Exclude* lease receivables when the lessee is a subsidiary or an associated company; such leases are to be reported in Item 5.

A lease is an agreement that transfers the right to use land, buildings, or equipment for a specified period of time. This financing device is essentially an extension of credit evidenced by an obligation between a lessee and a lessor.

Line Item 4(e) LESS: Allowance for loan and lease losses.

Report the allowance for loan and lease losses as determined in accordance with generally accepted accounting principles (GAAP).

Line Item 4(f) LESS: Allocated transfer risk reserve.

If the reporting bank holding company is required to establish and maintain an allocated transfer risk reserve as specified in Section 905(a) of the International Lending Supervision Act of 1983, in the agency regulations implementing the Act (Subpart D of Federal Reserve Regulation K, Part 351 of the FDIC's Rules and Regulations, and Part 20 of the Comptroller of the Currency's Regulations), and in any guidelines, letters, or instructions issued by the agencies, report in this item the dollar amount required to be maintained in such a reserve. If the reporting bank holding company is not required to establish and maintain an allocated transfer risk reserve, report a zero or the word ''none.''

Line Item 4(g) Loans and leases, net of unearned income, allowance for loan and lease losses, and allocated transfer risk reserve.

Report the sum of items 4(c) and 4(d) minus items 4(e) and 4(f).

Line Item 5 Investments in and receivables due from subsidiaries and associated companies. (From Schedule PC-A, item 4)

Report the amount of the bank holding company's direct investments in the stock of and all loans and receivables due from all subsidiaries, associated companies, and those corporate joint ventures over which the reporting bank holding company exercises significant influence (collectively referred to as ‘‘investees’’). Investees include banks, nonbank companies, and lower-tier bank holding companies.

Include the following in this item:

(1) the cost of the parent's holdings of capital stock of subsidiaries and associated companies less amortized goodwill;

(2) when the investment is in common stock, the parent's proportionate share in the earnings or losses (net of preferred dividends) of subsidiaries and associated companies since the date of their acquisition, less common stock dividends declared or paid;

(3) any advances made to, and other receivables due from, direct and indirect subsidiaries and associated companies (including those taking the form of loans and holdings of their bonds and debentures). Investments in the common stock of investees shall be reported using the equity method of accounting in accordance with GAAP. Under the equity method, the carrying value of the bank holding company's investment in the common stock of an investee is originally recorded at cost but is adjusted periodically to record as income the bank holding company's proportionate share of the investee's earnings or losses and decreased by the amount of any cash dividends received from the investee and amortization of goodwill. The term ‘‘subsidiary’’ is defined by section 2(d) of the Bank Holding Company Act and under Section 225.2 of Federal Reserve Regulation Y, which includes companies 25 percent or more owned or controlled by another company and may include companies less than 25 percent owned, if the Board determined that they are controlled by the bank holding company. However, for purposes of the Parent Company Only Financial Statements for Bank Holding Companies, a subsidiary is a company in which the parent bank holding company directly or indirectly owns more than 50 percent of the outstanding voting stock.

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

A corporate joint venture is a corporation owned and operated by a group of companies (‘‘joint venturers’’), no one of which has a majority interest, as a separate and specific business or project for the mutual benefit of the joint venturers. Each joint venturer may participate, directly or indirectly, in the management of the joint venture. An entity that is a majority-owned subsidiary of one of the joint venturers is not a corporate joint venture.

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

Line Item 6 Premises, furniture, fixtures, and equipment.

Report the book value, less depreciation, of all premises, furniture, fixtures, and equipment. *Exclude* real estate-owned other than company premises. Such real estate is to be reported in Item 8, ‘‘Other assets.’’

Line Item 7 Intangible assets.

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

For purposes of reporting on this schedule, intangible assets should be amortized over their useful life in accordance with the provisions stated in GAAP. Bank holding companies that are registered with the Securities and Exchange Commission (SEC) should amortize their intangible assets in accordance with SEC Staff Accounting Bulletin Number 42A.

Intangible assets arising from business combinations accounted for under the purchase method in accordance with APB Opinion No. 16, as amended, and related to the acquisition of a subsidiary should be reflected in Schedule PC-A.

Purchase acquisition—In a purchase acquisition the assets and liabilities of the acquired business must be recorded on the books of the combined bank holding company at their fair value. The fair value of an asset is generally its market or appraised value and liabilities are generally valued on a present value basis. Therefore, to the extent possible, the cost of the acquisition is allocated to each identifiable asset or liability being acquired or assumed. Identifiable assets may be tangible (such as securities or fixed assets) or intangible (such as service contracts or the estimated value of certain deposit relationships as recognized by the Federal Reserve). Any excess of the cost of the acquisition over the net fair value of the identifiable assets and liabilities acquired or assumed is purchased goodwill. Purchased goodwill may be booked in accordance with the specific regulatory policies of the Federal Reserve and must be amortized. The amortization expense of purchased goodwill and any other intangible assets shall be reported in Schedule PI, the *Parent Company Only Income Statement*. If the net fair value of the identifiable assets and liabilities acquired or assumed exceeds the cost of the acquisition, the values otherwise assignable to the fixed assets, other real estate owned, and intangible and other similar assets of a ''noncurrent'' nature shall be reduced by the amount of such excess in the order specified above. Negative goodwill shall not be recorded unless these categories of assets acquired are reduced to a zero value. Negative goodwill should be reported in Schedule PC, item 17, ''Other liabilities'' and should be amortized systematically to income over the period estimated to be benefited.

In a purchase acquisition, the historical equity capital balances of the acquired business are not to be carried forward to the balance sheet of the combined bank holding company. If the reporting holding company has issued any stock in connection with the acquisition, the fair value of the shares issued shall be used in determining the cost of the acquisition unless the net fair value of the assets acquired and liabilities assumed presents a more accurate measure of the value of the transaction. The aggregate par or stated value of perpetual preferred or common shares issued shall be credited to the acquiring holding company's appropriate stock account and any excess of fair value over par or stated value of shares issued (reduced by any direct costs of issuing the shares) shall be credited to capital surplus. The operating results of the acquired business are to be included in the income and expenses of the reporting holding company only from the date of acquisition.

For further details on the general treatment of business combinations, see APB Opinion No. 16 and FASB Statement No. 72, ''Accounting for Certain Acquisitions of Banking or Thrift Institutions.''

Line Item 7(a) Mortgage servicing rights.

Report the book value of mortgage servicing rights (both purchase and originated).

Each stratum of mortgage servicing rights shall be carried at the lesser of its amortized cost or its fair value. See the Glossary entry for ''mortgage servicing rights'' in the FR Y-9C instructions for further information.

Line Item 7(b) Other identifiable intangibles.

Report the unamortized amount of other specifically identifiable intangible assets such as core deposit intangibles, favorable leasehold rights, and organization costs.

Line Item 7(c) Goodwill.

Report the amount (book value) of unamortized goodwill. This asset represents the excess of the cost of a company over the sum of the fair values of the tangible assets and identifiable intangible assets acquired less the fair value of liabilities assumed in a business combination accounted for as a purchase. The amount of goodwill reported in this item should not be reduced by any negative goodwill. Any negative goodwill arising from a business combination accounted for as a purchase must be reported in Schedule PC, item 17, ''Other liabilities.'' In addition, the amount of negative goodwill included in other liabilities must be disclosed separately in the ''Notes to the Parent Company Only Financial Statements.''

Line Item 8 Other assets.

Report income earned, not collected, deferred income taxes (if debit balance), and all other assets not properly reported against items 1 through 7(c) above.

Line Item 9 Balances due from related institutions, other than investments.

Line items 9(a) through 9(c) should be completed only by lower-tier parent bank holding companies.

Report in this item all balances due from institutions related to the reporting parent bank holding company, other than those balances included in item 5 above.

Related institutions, for purposes of this item, consist of direct and indirect subsidiaries of the top-tier bank holding company that are not direct or indirect subsidiaries of the reporting (lower-tier) parent bank holding company.

Line Item 9(a) Balances due from related banks.

Report in this item all cash and balances due from related banks (i.e., banks directly or indirectly owned by the top-tier parent bank holding company, excluding those directly or indirectly owned by the reporting lower-tier parent bank holding company). *Exclude* those balances included in item 5 above.

Line Item 9(b) Balances due from related nonbank companies.

Report in this item all cash and balances due from related nonbank companies (i.e., nonbank companies directly or indirectly owned by the top-tier parent bank holding company, excluding those directly or indirectly owned by the reporting lower-tier parent bank holding company). *Exclude* those balances included in item 5 above.

For purposes of this item, when the reporting holding company is a multi-tier organization, related nonbank companies exclude any related bank holding companies of the respondent and the parent company(s) of the respondent, which are to be reported in item 9(c).

Line Item 9(c) Balances due from related bank holding companies.

Report in this item all balances due from subsidiary bank holding companies, other than those balances included in item 5 above.

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

Line Item 10 TOTAL ASSETS.

Sum of Items 1 through 9(c).

Liabilities and Stockholders' Equity

Line Item 11 Deposits.

Report in this item any deposits issued by the bank holding company parent. Such deposits include travellers' checks outstanding that have been issued by the bank holding company parent and any other deposits issued by branches of the bank holding company parent.

Exclude any deposits issued by or held in subsidiaries of the respondent bank holding company parent.

Line Item 12 Securities sold under agreements to repurchase.

Report in this item securities sold under agreements to repurchase other than securities sold under repurchase agreements to maturity (report repurchase agreements to maturity as a sale of the underlying security).

Exclude from this item any securities sold to direct or indirect subsidiaries of the parent bank holding company under agreements to repurchase. Such transactions should be reported in item 18 below.

When the subsidiary bank holding company in a multi-tier organization is submitting this report, its transactions with its parent(s) or with subsidiaries of its parent(s) should be *excluded* from this item and reported in item 18 below.

Line Item 13 Borrowings with a remaining maturity of one year or less.

Line Item 13(a) Commercial paper.

Report the total amount outstanding of commercial paper issued by the reporting bank holding company to unrelated parties. Commercial paper consists of short-term negotiable promissory notes issued in the United States by commercial businesses, including finance companies and banks. Commercial paper matures in 270 days or less and is not collateralized.

Line Item 13(b) Other borrowed money with a remaining maturity of one year or less.

Report the total amount of money borrowed by the reporting bank holding company with a remaining maturity of one year or less.

Report the total amount of money borrowed with a remaining maturity of one year or less:

(1) on its promissory notes;

(2) on notes and bills rediscounted (including commodity drafts rediscounted);

(3) on loans sold under repurchase agreements that mature in more than one business day and sales of participations in pools of loans that mature in more than one business day;

(4) by the creation of due bills representing the bank holding company's receipt of payment and similar instruments, whether collateralized or uncollateralized;

(5) by overdrawing ''due from'' balances with unrelated depository institutions (borrowing created by overdrawing ''due from'' balances with related depository institutions should be reported in item 18).

(6) by selling assets that the reporting bank holding company or its consolidated subsidiaries do not own, i.e. sell short; and

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

Exclude from this item:

(1) mortgages on premises and other real estate owned; and

(2) subordinated notes and debentures (report in Schedule PC, item 16).

(3) securities sold under agreements to repurchase (report in item 12 above).

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

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

(1) on its promissory notes;

(2) on notes and bills rediscounted (including commodity drafts rediscounted);

(3) on mortgages, liens, or other encumbrances on premises and fixed assets and on other real estate owned for which the reporting bank holding company is liable. If the bank holding company is the lessee on capitalized lease property, include the bank holding company's liability for capitalized lease payments;

(4) on loans sold under repurchase agreements that mature in more than one business day and sales of participations in pools of loans that mature in more than one business day;

(5) by the creation of due bills representing the bank holding company's receipt of payment and similar instruments, whether collateralized or uncollateralized;

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

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

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

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

Exclude from this item:

(1) securities sold under agreements to repurchase, and sales of participations in pools of securities by the bank holding company (report in Schedule PC, item 12);

(2) subordinated notes and debentures (report in Schedule PC, item 16).

Line Item 15 Mandatory convertible securities.

Report in items 15(a) and 15(b), as appropriate, the total amount of outstanding equity contract notes and equity commitment notes that qualify as capital, as defined by the Federal Reserve Board's capital adequacy guidelines, 12 C.F.R., Part 225, Appendix B.

Line Item 15(a) Equity contract notes, gross.

Report the total amount of outstanding equity contract notes that qualify as capital, as defined by the Federal Reserve Board's capital guidelines, 12 C.F.R., Part 225, Appendix B.

An equity contract note is debt that obligates the holder to take the common or perpetual preferred stock of the issuer in lieu of cash for repayment of principal and that qualifies as capital under the Board's Guidelines Program. The amount reported should reflect all qualifying securities regardless of whether the total exceeds the maximum amount of equity contract notes that may be counted as primary capital.

Line Item 15(b) Equity commitment notes, gross.

Report the total amount of outstanding equity commitment notes that qualify as capital, as defined by the Federal Reserve Board's capital guidelines, 12 C.F.R., Part 225, Appendix B.

An equity commitment note is debt that is redeemable only with the proceeds from the sale of common or perpetual preferred stock and that qualifies as capital under the Board's Guidelines Program. The amount reported should reflect all such qualifying securities regardless of whether the total exceeds the maximum amount of equity commitment notes that may be counted as primary capital.

Line Item 16 Subordinated notes and debentures.

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

Line Item 17 Other liabilities.

Report expenses accrued and unpaid, deferred income taxes (if credit balance), and all other liabilities that cannot properly be reported in Schedule PC, items 11 through 16.

Line Item 18 Balances due to subsidiaries and related institutions.

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

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

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

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

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

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

Report in this item all balances due to nonbank subsidiaries that are directly or indirectly owned or controlled by the reporting parent bank holding company.

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

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

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

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

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

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

Line Item 19 Limited-life preferred stock.

Report the amount of any outstanding limited-life preferred stock including any amounts received in excess of its par or stated value. Preferred stock is a form of ownership interest in a bank holding company or other company which entitles its holders to some preference or priority over the owners of common stock, usually with respect to dividends or asset distributions in a liquidation.

Limited-life preferred stock is preferred stock that has a stated maturity date or that can be redeemed at the option of the holder. It excludes those issues of preferred stock that automatically convert into perpetual preferred stock or common stock at a stated date.

Line Item 20 Equity capital.

Line Item 20(a) Perpetual preferred stock.

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

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

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

Line Item 20(c) Capital Surplus.

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

Do not include any portion of the proceeds received from the sale of limited-life preferred stock in excess of its par or stated value (report in Schedule PC, item 19) or from the sale of perpetual preferred stock in excess of its par or stated value (report in Schedule PC, item 20(a)).

Line Item 20(d) Retained earnings.

Report the amount of retained earnings

Line Item 20(e) Net unrealized holding gains (losses) on available-for-sale securities.

Report the difference between the amortized cost and fair value of all available-for-sale securities, net of tax effects, for the available-for-sale securities held by the parent company. In addition, for purposes of this report, include the net unrealized holding gains (losses) on available-for-sale securities that are recorded by the subsidiaries of the parent company. The offsetting amount should be reported in Schedule PC, line item 5, ‘‘Investments in and receivables due from subsidiaries and associated companies.’’ For more information, refer to FASB Statement No. 115, paragraph 135(b).

Line Item 20(f) LESS: Treasury stock.

Report the amount of Treasury stock at cost held by the bank holding company. Treasury stock is stock that the bank holding company has issued and subsequently acquired, but that has not been retired or resold. As a general rule, treasury stock is a deduction from a bank holding company's total equity capital. For further information, see Accounting Research Bulletin No. 43, as amended by APB Opinion No. 6.

NOTE: When the reporting parent bank holding company has included in item 14 above the ESOP's long-term debt that it has explicitly or implicitly guaranteed, report in this item the dollar amount of the offsetting debit to the liability recorded by the reporting parent bank holding company in connection with that debt. This amount should be reduced as the debt is amortized.

Line Item 20(g) Total Equity Capital.

Report the sum of items 20(a) through 20(e) minus item 20(f).

Line Item 21 Total Liabilities and equity capital.

Report the sum of items 11 through 20.e minus 20.f.

LINE ITEM INSTRUCTIONS FOR

Investments in Subsidiaries and Associated Companies

Schedule PC-A

Line Item 1(a) Equity investments in bank subsidiaries and associated banks.

Report in items 1(a)(1) and 1(a)(2)(a) and 1(a)(2)(b) the reporting bank holding company's equity investment in banks (as defined in the Bank Holding Company Act), in Edge Act and Agreement subsidiaries, and, for purposes of this report, industrial banks that file the commercial bank Reports of Condition and Income with the federal banking agencies. The reporting bank holding company should account for investments in common stock of bank subsidiaries and associated banks by the equity method. (For further guidance refer to APB Opinion No. 18.)

Line Item 1(a)(1) Common and preferred stock.

The amount reported should include (1) the cost of the reporting bank holding company's holdings of capital stock (including related surplus) in bank subsidiaries and associated banks exclusive of any unamortized intangibles (including goodwill) applicable to common stock investments that are reported in item 1(a)(2); and (2) in the case of common stock investments, the reporting bank holding company's proportional share in their earnings and losses (net of declared or cumulative preferred dividends of an investee) since the date of their acquisition, less accumulated goodwill amortization and any common stock dividends declared or paid. Also add or deduct the cumulative amount of any adjustments since date of acquisition resulting from differences between the fair value and historical cost of the investee's net assets. If the cost of a common stock investment was less than the fair value of the equity in underlying net assets, also include in this item accumulated reductions in depreciation expense and any negative goodwill amortization.

This item includes any other equity elements including the net unrealized holding gains (losses) on available-for-sale securities that are recorded by the bank subsidiaries and associated banks and reported in Schedule PC, item 5, "investments in and receivables due from subsidiaries and associated companies."

Line item 1(a)(2) Intangible assets.

Line Item 1(a)(2)(a) Goodwill.

Report the amount of unamortized goodwill associated with the acquisition of subsidiary banks and associated banks. This asset represents the excess of the cost of the bank subsidiaries over the sum of the fair values of the tangible assets and identifiable intangible assets acquired less the fair value of liabilities assumed in a business combination involving a bank and accounted for as a purchase. For purposes of this schedule only, reduce the amount of goodwill reported in this item by any applicable negative goodwill. If the sum total of goodwill reported herein is negative, report the amount in parenthesis.

Line Item 1(a)(2)(b) Other identifiable intangibles.

Report the unamortized amount of other specifically identifiable intangible assets related to the acquisition of subsidiary banks and associated banks, such as core deposit intangibles, favorable leasehold rights, and organization costs.

Line Item 1(b) Nonequity investments in and receivables due from bank subsidiaries and associated banks.

Report in items 1(b)(1) and 1(b)(2) the reporting bank holding company's nonequity investments in and receivables due from subsidiary banks and associated banks.

Line Item 1(b)(1) Loans, advances, notes, bonds, and debentures.

Report all assets of the reporting bank holding company (including loans, advances, notes, bonds, and debentures) that represent extensions of credit to directly and indirectly held bank subsidiaries and associated banks and investments in debt instruments issued by bank subsidiaries and associated banks.

Line Item 1(b)(2) Other receivables.

Report all other assets that represent claims of the reporting bank holding company on subsidiary banks and associated banks that cannot be properly reported in item 1(b)(1).

Line Item 2(a) Equity investments in nonbank subsidiaries and associated nonbank companies.

Report the reporting bank holding company's direct investments in directly or indirectly held nonbank subsidiaries and associated nonbank companies according to the appropriate captions below. Exclude banks (as defined in the Bank Holding Company Act), Edge Act and ''Agreement'' subsidiaries, and, for purposes of this report, industrial banks that file the commercial bank Reports of Condition and Income with the federal banking agencies. The reporting bank holding company should account for investments in the common stock of such nonbank companies by the equity method. (For further guidance refer to APB Opinion No. 18.)

Line Item 2(a)(1) Common and preferred stock.

The amount reported should include (1) the cost of the reporting bank holding company's holdings of capital stock (including related surplus) in nonbank subsidiaries and associated nonbank companies exclusive of any unamortized intangibles (including goodwill) applicable to common stock investments reported in item 2(a)(2); and (2) in the case of common stock investments, the reporting bank holding company's proportional share in their earnings and losses (net of declared or cumulative preferred dividends of an investee) since the date of the acquisition, less any accumulated goodwill amortization and any common stock dividends declared or paid. If the cost of a common stock investment was less than the fair value of the equity in underlying net assets, also include in this item accumulated reductions in depreciation expense and any negative goodwill amortization.

This item includes any other equity elements including the net unrealized holding gains (losses) on available-for-sale securities that are recorded by the nonbank subsidiaries and associated nonbank companies and reported in Schedule PC, item 5, "investments in and receivables due from subsidiaries and associated companies."

Line Item 2(a)(2) Intangible assets.

Line Item 2(a)(2)(a) Goodwill.

Report the amount of unamortized goodwill associated with the acquisition of nonbank subsidiaries and associated nonbank companies. This asset represents the excess of the cost of the nonbank subsidiaries over the sum of the fair values of the tangible assets and identifiable intangible assets acquired less the fair value of liabilities assumed in a business combination involving nonbanks accounted for as a purchase. For purposes of this schedule only, reduce the amount of goodwill reported in this item by any applicable negative goodwill. If the sum total of goodwill reported herein is negative, report the amount in parenthesis.

Line Item 2(a)(2)(b) Other identifiable intangibles.

Report the unamortized amount of other specifically identifiable intangible assets related to the acquisition of nonbank subsidiaries and associated nonbank companies, such as core deposit intangibles, favorable leasehold rights, and organization costs.

Line Item 2(b) Nonequity investments in and receivables due from nonbank subsidiaries and associated nonbank companies.

Report in Items 2(b)(1) and 2(b)(2) the reporting bank holding company's nonequity investment in and receivables due from directly and indirectly held nonbank subsidiaries and associated nonbank companies.

Line Item 2(b)(1) Loans, advances, notes, bonds, and debentures.

Report all assets of the reporting bank holding company (including loans, advances, notes, bonds and debentures) that represent extensions of credit to, and holdings of debt instruments issued by, directly and indirectly held nonbank subsidiaries and associated nonbank companies.

Line Item 2(b)(2) Other receivables.

Report all other assets that represent claims of the reporting bank holding company on directly and indirectly held nonbank subsidiaries and associated nonbank companies that cannot be properly reported in item 2(b)(1).

Line Item 3 ***This item is to be completed only by tiered bank holding companies.***

Line Item 3(a) Equity investments in subsidiary bank holding companies and associated bank holding companies.

Report in items 3(a)(1) and 3(a)(2)(a) and 3(a)(2)(b) the reporting bank holding company's direct equity investment in directly or indirectly held subsidiary bank holding companies (as defined in the Bank Holding Company Act). The reporting bank holding company should account for investments in common stock of subsidiary bank holding companies and associated bank holding companies by the equity method. (For further guidance refer to APB Opinion No. 18.)

Line Item 3(a)(1) Common and preferred stock.

The amount reported should include (1) the cost of the reporting bank holding company's holdings of capital stock in subsidiary bank holding companies and associated bank holding companies exclusive of any unamortized intangibles, including goodwill, applicable to common stock investments that is reported in item 3(a)(2); and (2) in the case of common stock investments, the reporting bank holding company's proportional share in their earnings and losses (net of declared or cumulative preferred dividends of an investee) since the date of their acquisition, less accumulated goodwill amortization and any common stock dividends declared or paid. Also add or deduct the cumulative amount of any adjustments since date of acquisition resulting from differences between the fair value and historical cost of the investee's net assets. If the cost of a common stock investment was less than the fair value of the equity in underlying net assets, also include in this item accumulated reductions in depreciation expense and any negative goodwill amortization.

This item includes any other equity elements including the net unrealized holding gains (losses) on available-for-sale securities that are recorded by the subsidiary bank holding companies and associated bank holding companies and reported in Schedule PC, item 5, "investments in and receivables due from subsidiaries and associated companies."

Line Item 3(a)(2) Intangible assets.

Line Item 3(a)(2)(a) Goodwill.

Report the amount of unamortized goodwill associated with the acquisition of subsidiary bank holding companies and associated bank holding companies. This asset represents the excess of the cost of the subsidiary bank holding companies over the sum of the fair values of the tangible assets and identifiable intangible assets acquired less the fair value of liabilities assumed in a business combination accounted for as a purchase. For purposes of this schedule only, reduce the amount of goodwill reported in this item by any applicable negative goodwill. If the sum total of goodwill reported herein is negative, report the amount in parenthesis.

Line Item 3(a)(2)(b) Other identifiable intangibles.

Report the unamortized amount of other specifically identifiable intangible assets related to the acquisition of directly or indirectly held subsidiary bank holding companies and associated bank holding companies such as core deposit intangibles, favorable leasehold rights, and organization costs.

Line Item 3(b) Nonequity investments in and receivables due from subsidiary bank holding companies and associated bank holding companies.

Report in items 3(b)(1) and 3(b)(2) the reporting bank holding company's nonequity investments in and receivables due from directly or indirectly held subsidiary bank holding companies and associated bank holding companies.

Line Item 3(b)(1) Loans, advances, notes, bonds, and debentures.

Report all assets of the reporting bank holding company (including loans, advances, notes, bonds, and debentures) that represent extensions of credit to directly or indirectly held subsidiary bank holding companies and associated bank holding companies and investments in debt instruments issued by directly or indirectly held subsidiary bank holding companies and associated bank holding companies.

Line Item 3(b)(2) Other receivables.

Report all other assets that represent claims of the reporting bank holding company on subsidiary bank holding companies and associated bank holding companies that cannot be properly reported in item 3(b)(1).

Line Item 4 Total.

Report the sum of items 1(a)(1), 1(a)(2), 1(b)(1), 1(b)(2), 2(a)(1), 2(a)(2), 2(b)(1), and 2(b)(2) and if applicable 3(a)(1), 3(a)(2), 3(b)(1), and 3(b)(2). This amount should equal the amount reported in Item 5 of Schedule PC, *Parent Company Only Balance Sheet*.

LINE ITEM INSTRUCTIONS FOR

Memoranda
Schedule PC-B

Line Item 1 Amount of assets scheduled to mature within one year.

Report the amount of assets of the parent bank holding company that will be realized in cash, sold or consumed within one year. (This item is equivalent to current assets and includes cash.) Include in this item the assets that have an original maturity of one year or more if they are scheduled to mature in less than or equal to one year. In addition, include contractual payments scheduled to be repaid in one year or less, even when the remaining maturity of the asset is more than a year.

Line Item 2 Amount of borrowings included in Schedule PC, items 15 through 16 and item 18 that is scheduled to mature within one year.

Report all debt issued by the consolidated bank holding company and reported in Schedule PC, item 15(a), ''Equity contract notes, gross,'' item 15(b), ''Equity commitment notes, gross,'' item 16, ''Subordinated notes and debentures,'' and items 18(a), 18(b), and 18(c), ''Balances due to subsidiaries and related institutions'' that are scheduled to mature within one year, regardless whether the debt has fixed or floating rates. Include serial sinking fund payments due within one year and the current portion of any intermediate or long-term debt due to be amortized within one year of the date of the balance sheet.

Line Item 3 Amount of liabilities (other than borrowings) scheduled to mature within one year.

Report in this item the amount of liabilities, other than borrowings included in Schedule PC, items 15 through 16 and 18, that is scheduled to mature within one year.

Include contractual payments scheduled to be repaid in less than or equal to one year, even when the remaining maturity of the liability is over a year.

This item should include all balances due to related institutions (excluding borrowings from such institutions) that are scheduled to mature in less than or equal to one year.

Exclude all borrowings, including those with a remaining maturity of one year or less.

Line Item 4 Amount of borrowings from unaffiliated parties guaranteed by the parent with respect to the following subsidiaries.

Report in the appropriate subitem below the amount of borrowings of subsidiaries from unaffiliated parties: (1) that have been guaranteed by the respondent parent bank holding company; (2) that involve sales of assets by the subsidiaries where the parent bank holding company has indemnified the transfer of the assets by the subsidiaries to third parties; (3) or any other borrowing by the bank holding company subsidiaries where the parent bank holding company would be required to assume any risk of loss in the event that its subsidiaries failed to pay their obligations.

Lower-tier bank holding companies should report the amount of borrowing from unaffiliated parties that they have guaranteed with respect to their subsidiaries.

Line Item 4(a) Bank.

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

Line Item 4(b) Nonbank.

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

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

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

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

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

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

Line Item 5(a) Bank.

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

Line Item 5(b) Nonbank.

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

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

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

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

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

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

Include as long-term debt:

(1) Other borrowed money with a remaining maturity of more than one year, excluding mortgage indebtedness and obligations under capitalized leases (Schedule PC, item 14);

(2) Mandatory convertible securities (Schedule PC, items 15(a) and 15(b)); and

(3) Subordinated notes and debentures (Schedule PC, item 16).

However, a bank holding company may choose to continue to report their floating rate long-term debt by earliest repricing opportunity if its records provide repricing data on the length of time between the report date and the date the rate can next change and provided that the consolidated bank holding company reports in the same manner. In addition, holding companies also may choose to report their long-term debt that can be repaid in more than one payment on the basis of their scheduled contractual payments if the consolidated holding company reports in the same manner. Holding companies continuing to report their floating rate debt by earliest repricing opportunity and their multipayment debt on the basis of contractual payments should report in this item:

(1) the dollar amount of floating or variable rate long-term debt that can be *repriced* in less than one year even if few, if any, of the contractual payments are scheduled to be repaid within one year. If the multi-payment debt has some contractual payments scheduled to be repaid within one year, but cannot be repriced for one year or more, include the dollar amount of the contractual payments to be repaid within one year.

(2) the dollar amount of the schedule contractual payments that are to be repaid in less than one year if the long-term debt has fixed or predetemnined rates.

Exclude from this item commercial paper and other borrowings that had a remaining maturity of one year or less (Schedule PC, items 13(a) and 13(b)).

Definitions for Item 6

A *fixed interest rate* is a rate that is specified at the origination of the transaction, is fixed and invariable during the term of the instrument, and is known to both the borrower and the lender.

A *predetermined interest rate* is a rate that changes during the term of the instrument on a predetermined basis, with the exact rate of interest over the life of the instrument known with certainty to both the borrower and the lender when the instrument is acquired. Examples of predetermined-rate transactions are:

(1) Instruments that carry a specified interest rate, for, say, six months and thereafter carry a rate equal to a specific percentage over the initial rate.

(2) Instruments that carry a specified interest rate while the transaction amount is below a certain threshold amount but carry a different specified rate above that threshold (e.g., a line of credit where the interest rate is 14% when the unpaid balance of amounts advanced is $100,000 or less, and 12% when the unpaid balance is more than $100,000).

A *floating or adjustable interest rate* is a rate that varies, or can vary, in relation to an index, to some other interest rate such as the rate on certain U.S. Government securities or the bank's ''prime rate'' or to some other variable criterion the exact value of which cannot be known in advance. Therefore, the exact rate the instrument carries at any subsequent time cannot be known at the time of origination. If the interest rate can float or be adjusted daily, the rate is considered immediately adjustable, even if the rate is not, in fact, changed.

For purposes of this item, when the rate on an instrument with a floating or adjustable rate can no longer float because it has reached a floor or ceiling level, the instrument is to be treated as ''fixed rate'' rather than as ''floating rate'' until the rate is again free to float.

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

Repricing frequency is how often the contract permits the interest rate on an instrument to be changed (e.g., daily, monthly, quarterly, semiannually, annually) without regard to the length of time between the report date and the date the rate can next change.

Line Item 7 Loans and lease financing receivables of the parent.

Report in the appropriate subitem the total amount of the parent bank holding company's assets, including those in the form of loans, lease financing receivables, and placements, that are past due 90 days or more and still accruing (item 7(a)) or in nonaccrual status (item 7(b)). Include in this item the dollar amount of assets that have been restructured, but are no longer in compliance with the restructured terms and are now past due or in nonaccrual status.

Line Item 7(a) Past due 90 days or more and still accruing.

Line Item 7(b) Nonaccrual status.

Report on a bank holding company parent company only basis assets, including loans, lease financing receivables, and placements, that are past due or are in nonaccrual status. Loan amounts should be reported net of unearned income to the extent that the same categories of loans are reported net of unearned income in Schedule PC. Report the full outstanding balances of past due and nonaccrual assets, as reported for the purposes of Schedule PC-B, not simply the delinquent payments.

Schedule PC-B

Definitions for Item 7

Past due—For purposes of this item, grace periods allowed by the bank holding company after an asset technically has become past due but before the imposition of late charges are not to be taken into account in determining past due status. Assets (including loans, lease financing receivables, and placements) are to be reported in this item when either the interest or principal is due and unpaid 90 days or more and still accruing.

Furthermore, loans and lease financing receivables are to be reported as past due when either interest or principal is unpaid in the following circumstances:

(1) Closed-end monthly installment loans are to be reported as past due when the borrower is in arrears (At a bank holding company's option, loans and leases with payments scheduled monthly may be reported as past due when one scheduled payment is due and unpaid for 30 days or more.) Other multi-payment obligations with payments scheduled other than monthly are to be reported as past due when one scheduled payment is due and unpaid for 30 days or more.

(2) Open-end credit such as charge-card plans, check credit, and other revolving credit plans are to be reported as past due when the customer has not made the minimum payment for two or more billing cycles.

(3) Amortizing loans secured by real estate are to be reported as past due when the borrower is in arrears two or more monthly payments. (Bank holding company may use 30 days as a proxy for a month if they prefer.) Such obligations with payments scheduled other than monthly are to be reported as past due when one scheduled payment is due and unpaid for 30 days or more.

(4) Single payment and demand notes providing for the payment of interest at stated intervals are to be reported as past due after one interest payment is due and unpaid for 30 days or more.

(5) Single payment notes providing for the payment of interest at maturity are to be reported as past due after maturity if interest or principal remains unpaid for 30 days or more.

(6) Unplanned overdrafts are to be reported as past due if the account remains continuously overdrawn for 30 days or more.

For purposes of this item, a full payment in computing past due status for consumer installment loans (both closed-end and open-end) is defined to include a partial payment equivalent to 90 percent or more of the contractual payment.

NOTE: The time period used for reporting past due status as indicated above may not in all instances conform to those utilized by the Federal Reserve in bank holding company examinations.

Nonaccrual—For purposes of this item, assets (including loans, lease financing receivables, and placements) are to be reported as being in nonaccrual status if: (a) they are maintained on a cash basis because of deterioration in the financial position of the borrower, (b) payment in full of interest or principal is not expected, or (c) principal or interest has been in default for a period of 90 days or more unless the obligation is both well secured and in the process of collection.

A debt is ''well secured'' if it is secured (1) by collateral in the form of liens on or pledges of real or personal property, including securities, that have a realizable value sufficient to discharge the debt (including accrued interest) in full, or (2) by the guaranty of a financially responsible party. A debt is ''in the process of collection'' if collection of the debt is proceeding in due course either through legal action, including judgment enforcement procedures, or, in appropriate circumstances, through collection efforts not involving legal action which are reasonably expected to result in repayment of the debt or in its restoration to a current status.

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

Line Item 8 Loans and leases of the parent restructured and in compliance with modified terms.

Report on a bank holding company parent company only basis all loans and lease financing receivables that have been restructured because of a deterioration in the financial position of the obligor but, as of the report date, are in compliance with the modified terms. Loan amounts should be reported net of unearned income to the extent that the same categories of loans are reported net of unearned income in Schedule PC above.

Definition for Item 8

Restructured loans and leases—For purposes of this report, restructured loans and leases (i.e., renegotiated debt) includes those loans and lease financing receivables that have been restructured or renegotiated to provide a reduction of either interest or principal because of a deterioration in the financial position of the borrower. A loan extended or renewed at a stated interest rate equal to the current interest rate for new debt with similar risk is not considered restructured debt.

Include in memoranda item 8 only those restructured loans and leases that are in compliance with the modified terms of the renegotiation. If such loans and leases are past due or in nonaccrual status, they are to be excluded from memoranda item 8 and reported in memoranda items 7(a) and 7(b) above.

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

For further information, see Financial Accounting Standards Board Statement No. 15, ‘‘Accounting by Debtors and Creditors for Troubled Debt Restructurings’’ (FASB 15).

Line Item 9 Total combined nonbank assets of nonbank subsidiaries.

Report the amount of the reporting bank holding company's total combined nonbank assets. Nonbank assets include the assets of all nonbank subsidiaries (as defined below) and their majority-owned direct and indirect subsidiaries.

The top-tier parent bank holding company should report in this item all assets of nonbank subsidiaries, whether held directly or indirectly or held through lower-tier bank holding companies.

The lower tier parent bank holding company in a multitier company should report the nonbank assets that it holds directly or indirectly.

Nonbank subsidiaries, for purposes of coverage of the reporting holding company's nonbank subsidiaries on this report, include but are not limited to, securities brokerage firms, venture capital corporations, depository institutions (other than U.S. banks), industrial banks that do *not* file the commercial bank Reports of Condition and Income with the federal banking agencies, industrial loan companies, leasing companies, bank premises subsidiaries, consumer finance companies, sales finance companies, acceptance corporations, factoring companies, insurance brokerage and insurance underwriting companies, small business investment companies, data processing and information services companies, and nondepository trust companies.

Nonbank subsidiaries *exclude* all subsidiaries of U.S. banking subsidiaries, and industrial banks that are federally-insured (i.e., that file commercial bank Reports of Condition and Income).

Subsidiary banks and their subsidiaries and Edge and agreement corporations are not to be included. All intercompany transactions among the nonbanking subsidiaries should be eliminated, but assets with the reporting bank holding company and with subsidiary banks should be included.

Line Item 10 Pledged securities.

Report the amortized cost of all held-to-maturity securities and the fair value of all available-for-sale securities held by the reporting bank holding company (parent company only) that are pledged to secure deposits, repurchase transactions, or other borrowings (regardless of the balance of liabilities against which the securities are pledged), such as performance bonds on futures or forward contracts, or for any other purpose.

Line Item 11(a) Fair value of securities classified as available-for-sale in Schedule PC, item 2.a through 2.c.

Report in this item the fair value of all securities included in Schedule PC, item 2.a through 2.c, ‘‘Securities,’’ that have been designated as available-for-sale. The fair value (market value) of securities should be determined, to the extent possible, by timely reference to the best available source of current market quotations or other data on relative current value. For example, securities traded on national, regional, or foreign exchanges, or on organized over-the-counter markets should be valued at the most recently available quotation in the most active market. Quotations from brokers or others making markets in securities that are neither widely nor actively traded are acceptable if prudently used. Unrated debt securities for which no reliable market price data are available may be valued at cost adjusted for amortization of premium or accretion of discount unless credit problems of the obligor or upward movements in the level of interest rates warrant a lower estimate of current value. Equity securities that do not have readily determinable fair values shall be reported at historical cost. (NOTE: The sum of items 11.a and 11.b must equal the sum of Schedule PC, item 2.a through 2.c).

Line Item 11(b) Amortized cost of securities classified as held-to-maturity in Schedule PC, item 2.a through 2.c.

Report the amortized cost of securities classified as held-to-maturity in Schedule PC, item 2.a through 2.c. (NOTE: The sum of items 11.a and 11.b must equal the sum of Schedule PC, item 2.a through 2.c).

Line Item 12 Balances held by subsidiary banks of the bank holding company due from other bank subsidiaries of the bank holding company or due from nonbank subsidiaries of the bank holding company.

Report in item 12(a) all balances (that is, balances due from, securities, federal funds sold, securities purchased under agreements to resell, loans, or any other assets) that are booked as assets on the books of a subsidiary bank of the bank holding company that are due from a bank that is a direct or indirect subsidiary of the top tier parent bank holding company.

Report in item 12(b) all balances (that is, balances due from, securities, federal funds sold, securities purchased under agreements to resell, loans, or any other assets) that are booked as assets on the books of a subsidiary bank of the bank holding company that are due from direct or indirect nonbank subsidiaries of the top-tier parent bank holding company.

Lower-tiered bank holding companies should report in item 12(a) balances held by subsidiary banks of the lower-tier bank holding company that are due from other subsidiary banks of the lower-tier holding company or are due from related banks that are direct or indirect subsidiaries of the top-tier bank holding company.

Lower-tier bank holding companies should report in item 12(b) balances held by bank subsidiaries of the lower-tier holding company due from related nonbank subsidiaries that are direct or indirect subsidiaries of the top-tier holding company.

Exclude balances of foreign bank subsidiaries if they are consolidated on the domestic bank subsidiary's commercial Reports of Condition and Income (FFIEC 031).

Line Item 13 Balances held by subsidiary banks of the bank holding company due to other bank subsidiaries of the bank holding company or due to nonbank subsidiaries of the bank holding company.

Report in item 13(a) liabilities (that is, deposits, federal funds purchased, securities sold under agreements to repurchase, borrowings, or other liabilities) that are on the books of the subsidiary bank of the bank holding company that are due to a bank that is a direct or indirect subsidiary of the top-tier parent bank holding company.

Lower-tiered bank holding companies should report in item 13(a) balances held by subsidiary banks of the lower-tier bank holding company that are due to other subsidiary banks of the lower-tier holding company or are due to related banks that are direct or indirect subsidiaries of the top-tier bank holding company.

Lower-tier bank holding companies should report in item 13(b) balances held by bank subsidiaries of the lower-tier holding company due to related nonbank subsidiaries that are direct or indirect subsidiaries of the top-tier holding company.

Report in item 13(b) all liabilities (that is, deposits, federal funds purchased, securities sold under agreements to repurchase, borrowings, or other liabilities) that are on the books of a subsidiary bank of the bank holding company that are due to direct or indirect nonbank subsidiaries of the top tier parent bank holding company.

Line Item 14 Bank holding company (parent company only) borrowings not held by financial institutions or by insiders (including directors) and their interests.

Report the amount of all borrowings (parent company only) that are reported in Schedule PC, liability items 13 through 16 that are not held by financial institutions or by the bank holding company's officers, directors, or shareholders and their related interests. For reporting purposes, a related interest is a company in which an officer, director, or shareholder controls 25 percent or more of its stock. Do not report borrowings that are held by former shareholders of the bank holding company in this item.

LINE ITEM INSTRUCTIONS FOR

Parent Company Only Income Statement
Schedule PI

The Parent Company Only Income Statement, Schedule PI, is to be presented on a calendar-year-to-date basis.

Line Item 1 Operating Income:

Line Item 1(a) Income from bank subsidiaries and associated banks excluding equity in undistributed income.

Report the reporting bank holding company's income from direct investments in and transactions with direct and indirect bank subsidiaries and associated banks according to the appropriate captions, *excluding equity in undistributed income*.

Line Item 1(a)(1) Dividends.

Report dividend income declared or paid to the reporting bank holding company from bank subsidiaries and associated banks.

Line Item 1(a)(2) Interest.

Report interest income paid or payable to the reporting bank holding company related to cash and balances due from and extensions of credit to bank subsidiaries and associated banks.

Exclude interest from balances due from depository institutions that are not related to the parent bank holding company. Such interest should be reported in item 1(e) below.

Line Item 1(a)(3) Management and service fees.

Report management and service fees paid or payable to the reporting bank holding company by the bank subsidiaries and associated banks.

Line Item 1(a)(4) Other.

Report all other income paid or payable by bank subsidiaries or associated banks to the reporting bank holding company related to transactions with bank subsidiaries and associated banks. Exclude amounts reported in Items 1(a)(1), 1(a)(2), and 1(a)(3). Exclude the parent's equity in the undistributed earnings of bank subsidiaries and associated banks.

Line Item 1(a)(5) Total.

Report the sum of Items 1(a)(1) through 1(a)(4).

Line Item 1(b) Income from nonbank subsidiaries and associated nonbank companies, excluding equity in undistributed income.

Report the reporting bank holding company's income from direct investments in and transactions with direct and indirect nonbank subsidiaries and associated nonbank companies according to the appropriate captions, *excluding equity in undistributed income*. Exclude income from banks (as defined in the Act), subsidiaries of banks, and Edge Act and Agreement subsidiaries.

Line Item 1(b)(1) Dividends.

Report dividend income declared or paid to the reporting bank holding company by nonbank subsidiaries and associated nonbank companies.

Line Item 1(b)(2) Interest.

Report interest income paid or payable to the reporting bank holding company related to cash and balances due from and extensions of credit to nonbank subsidiaries and associated nonbank companies.

Line Item 1(b)(3) Management and service fees.

Report management and service fee income paid or payable by the nonbank subsidiaries and associated nonbank companies to the reporting bank holding company in connection with services rendered to nonbank subsidiaries and associated nonbank companies.

Line Item 1(b)(4) Other.

Report other income paid or payable to the reporting bank holding company related to transactions with nonbank subsidiaries and associated nonbank companies. Exclude amounts reported in Items 1(b)(1), 1(b)(2), and 1(b)(3).

Line Item 1(b)(5) Total.

Report the sum of Items 1(b)(1) through 1(b)(4).

Line Item 1(c) Income from subsidiary bank holding companies and associated bank holding companies, excluding equity in undistributed income.

This item is to be completed only by bank holding companies that have subsidiary bank holding companies or associated bank holding companies.

Report the reporting bank holding company's income from direct investments in and transactions with direct and indirect subsidiary bank holding companies and associated bank holding companies according to the appropriate captions, *excluding equity in undistributed income*.

Line Item 1(c)(1) Dividends.

Report dividend income declared or paid to the reporting bank holding company from subsidiary bank holding companies and associated bank holding companies.

Line Item 1(c)(2) Interest.

Report interest income paid or payable to the reporting bank holding company related to cash and balances due from and extensions of credit to subsidiary bank holding companies and associated bank holding companies.

Line Item 1(c)(3) Management and service fees.

Report management and service fee revenue paid or payable to the reporting bank holding company in connection with services rendered to subsidiary bank holding companies and associated bank holding companies.

Line Item 1(c)(4) Other.

Report all other income paid or payable to the reporting bank holding company related to transactions with subsidiary bank holding companies and associated bank holding companies. Exclude amounts reported in Items 1(c)(1), 1(c)(2), and 1(c)(3). *Exclude the reporting bank holding company's equity in the undistributed earnings of subsidiary bank holding companies and associated bank holding companies*.

Line Item 1(c)(5) Total.

Report the sum of Items 1(c)(1) through 1(c)(4).

Line Item 1(d) Securities gains/(losses).

Report the net gain or loss realized by the reporting bank holding company during the calendar year-to-date from the sale, exchange, redemption, or retirement of all securities. The gain or loss is the difference between the sales price (excluding interest at the coupon rate accrued since the last interest payment date, if any) and the book value. If this net amount is a loss, enclose it in parentheses.

Do not adjust for applicable income taxes (income taxes applicable to gains (losses) on securities are to be included in the applicable income taxes reported in item 4 below).

Line Item 1(e) All other operating income.

Report all other operating income of the reporting bank holding company, exclusive of income from subsidiaries and associated companies reported in Items 1(a), 1(b) and 1(c) above.

Report in this item any income from cash and balances due from unrelated depository institutions.

Line Item 1(f) TOTAL OPERATING INCOME.

Sum of Items 1(a)(5), 1(b)(5) and 1(c)(5), 1(d), and 1(e).

Line Item 2 OPERATING EXPENSE.

Line Item 2(a) Salaries and employee benefits.

Report the total amount of expenses attributable to (a) salaries and wages of officers and employees, and (b) pensions and employee benefits

Line Item 2(b) Interest expense.

Report the interest expense related to all debt instruments issued by the reporting bank holding company for the purpose of borrowing money as reported in Schedule PC, items 11, 12, 13(a), 13(b), 14, 15(a), 15(b), and 16.

Line Item 2(c) Provisions.

Line Item 2(c)(1) Provision for possible loan and lease losses.

Report the amount charged against current operating earnings to provide for actual and prospective losses on loans made by the reporting bank holding company and reported on Schedule PC, Items 4(a)(1), 4(a)(2), and 4(d).

Line Item 2(c)(2) Provision for allocated transfer risk.

If the reporting bank holding company itself is required to establish and maintain an allocated transfer risk reserve as specified in Section 905(a) of the International Lending Supervision Act of 1983, in the agency regulations implementing the Act (Subpart D of Federal Reserve Regulation K and in any guidelines, letters, or instructions issued by the Federal Reserve, report in this item the amount of the provision for allocated transfer risk. Enclose negative amounts in parentheses.

If the reporting bank holding company is not required to establish and maintain an allocated transfer risk reserve, report a zero or the word ''none.''

Line Item 2(d) All other expenses.

Report all other operating expenses of the reporting bank holding company that cannot properly be reported against Items 2(a), 2(b), and 2(c). Include amortization of intangible assets. In addition, for purposes of this reporting item, include any interest expense accrued on borrowings reported on Schedule PC, in item 18, ''Balances due to subsidiaries and related institutions.''

Line Item 2(e) TOTAL OPERATING EXPENSE.

Sum of Items 2(a) through 2(d).

Line Item 3 INCOME (LOSS) BEFORE TAXES AND UNDISTRIBUTED INCOME.

(Item 1(f) minus Item 2(e)). Report a negative amount in parentheses.

Line Item 4 Applicable income taxes.

Report the total estimated amount of current and deferred income taxes—Federal, State and local (estimated or accrued)—on a parent company only basis for the period. Bank holding companies that report a net tax benefit on a parent company only basis must enclose the amount in parentheses. Exclude taxes reported below against Item 5.

Line Item 5 Extraordinary items, net of tax effect.

Report the net amount of extraordinary items of the reporting bank holding company less applicable taxes. Include nonoperating items such as the cumulative effects of changes in accounting principles.

Line Item 6 INCOME (LOSS) BEFORE UNDISTRIBUTED INCOME OF SUBSIDIARIES AND ASSOCIATED COMPANIES.

Sum of Item 3 and Item 5, minus Item 4.

Line Item 7 Equity in undistributed income (losses) of subsidiaries and associated companies.

Line Item 7(a) Bank.

Report the parent's equity in undistributed income of bank (as defined in the Bank Holding Company Act) subsidiaries and of Edge Act and Agreement subsidiaries and associated banks, *less* applicable taxes. Include equity in securities gains or losses, extraordinary items, and cumulative effects of changes in accounting principles of bank subsidiaries and associated banks, less applicable taxes. Report a loss in parentheses.

Line Item 7(b) Nonbank.

Report the parent's equity in undistributed income of nonbank subsidiaries and associated nonbank companies, *less* applicable taxes. Include equity in securities gains or losses, extraordinary items, and cumulative effects of changes in accounting principles of nonbank subsidiaries and associated nonbanks, less applicable taxes. Report a loss in parentheses.

Line Item 7(c) Subsidiary bank holding companies.

Report the parent's equity in undistributed income of subsidiary bank holding companies and associated bank holding companies, *less* applicable taxes. Include equity in securities gains or losses, extraordinary items, and cumulative effects of changes in accounting principles of bank subsidiary bank holding companies and associated bank holding companies, less applicable taxes. Report a loss in parentheses.

Line Item 8 NET INCOME (LOSS).

Sum of Items 6, 7(a), 7(b) and 7(c).

Memoranda

Line Item M1 Noncash items included in operating expense.

Report the amount considered by the reporting bank holding company to represent noncash expenditures included in the amount reported in Schedule PI, Item 2(e). Such items include depreciation and amortization of intangible assets, but are not limited to these items.

Line Item M2 Loan and lease financing receivables charged-off.

Report the amount of loan and lease financing receivables that the reporting bank holding company has charged-off on the parent company's books.

Line Item M3 Loan and lease financing receivables recoveries.

Report the amount of loan and lease financing receivables that the reporting bank holding company has recovered on the parent company's books.

LINE ITEM INSTRUCTIONS FOR THE

Cash Flow Statement
Schedule PI-A

General Instructions

The purpose of the statement of cash flows is to provide information about the cash receipts and cash payments of the bank holding company on a parent company only basis during the reporting period. For purposes of reporting on Schedule PI-A, the reporting period is calendar year-to-date. The statement of cash flows reflects the cash effects during the reporting period from the parent bank holding companies resulting from operations, investing, and financing. The cash flow statement should be prepared in accordance with FASB Statement of Financial Accounting Standards No. 95, Statement of Cash Flows.

For purposes of the statement of cash flows, cash flows from investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments and property, plant, and equipment. Cash flows from financing activities include obtaining resources from shareholders and providing them with a return on, and a return of, their investment; borrowing money and repaying amounts borrowed, or otherwise settling the obligation; and obtaining and paying for other resources obtained from creditors on long-term credit. Operating activities include all transactions and other events that are not defined as investing or financing activities. Operating activities generally involve producing and delivering goods and providing services. Cash flows from operating activities are generally the cash effects of transactions and other events that enter into the determination of net income.

Negative Entries

Attention should be given to amounts reported on the Cash Flow Statement. For Part I, Cash Flows from Operating Activities, negative entries recorded in parentheses must be used for:

(a) Gain on sales of assets;

(b) Equity in undistributed earnings of subsidiaries;

(c) Equity in extraordinary items of subsidiaries, when a gain occurs;

(d) Net change in other liabilities, when other liabilities decrease; and

(e) Net change in other assets, when other assets increase.

Positive entries must be used for:

(a) Loss on the sales of assets;

(b) Equity in undistributed losses of subsidiaries;

(c) Equity in extraordinary items of subsidiaries, when a loss occurs;

(d) Net change in other liabilities, when other liabilities increase; and

(e) Net change in other assets, when other assets decrease.

For Part II, Cash Flows from Investing Activities, use ***absolute values*** in items 1 through 4. In Item 5, ''Other, net,'' negative entries should be recorded in parentheses. Items 1 and 3 will be subtracted when the sum is determined for Part II in item 6. For Part III, Cash Flows from Financing Activities, use ***absolute values*** in items 1 through 11. In Item 12, ''Other, net,'' negative entries should be recorded in parentheses. Items 2, 4, 6, 8, 10, and 11 will be subtracted when the sum is determined for Part III, in item 13.

Part I. Cash Flows from Operating Activities.

NOTE: Bank holding companies may carry securities and other assets in a trading account. Cash receipts and cash payments resulting from purchases and sales of securities and other assets shall be classified as operating cash flows if those assets are acquired specifically for resale and are carried at market value in a trading account. Some loans are similar to securities in a trading account in that they are originated or purchased specifically for resale and are held for short periods of time. Cash receipts and cash payments resulting from acquisitions and sales of loans also shall be classified as operating cash flows if those loans are acquired specifically for resale and are carried at market value or at the lower of cost or market value.

Line Item 1 Net Income (loss).

Report the amount of net income (loss) for the parent bank holding company during the reporting period year-to-date. This amount should be equal to the amount reported on Schedule PI, Line Item 8.

Line Item 2 Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities.

Line Item 2(a) Provision for deferred income taxes.

Report the amount of the provision for deferred income taxes for the parent bank holding company during the reporting period.

Line Item 2(b) (Gain) or loss on sales of assets.

Report the amount of the (gain) or loss of the sale of assets by the parent bank holding company during the reporting period. A gain on the sale of assets should be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign. A loss on the sale of assets should be reflected as a positive entry.

Line Item 2(c) Equity in undistributed (earnings) losses of subsidiaries.

Report the amount of the equity in undistributed (earnings) losses of subsidiaries held by the bank holding company during the reporting period. The amount should be reported prior to accounting for equity in extraordinary items of the subsidiaries. Equity in the earnings of subsidiaries should be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign. Equity in the losses of subsidiaries should be reflected as a positive entry.

Line Item 2(d) Equity in extraordinary items of subsidiaries.

Report the amount of the equity in the extraordinary items of the subsidiaries of the bank holding company during the reporting period. Equity in the extraordinary items of subsidiaries should be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign when a gain occurs. Equity in the extraordinary items of subsidiaries should be reflected as a positive entry when a loss occurs.

Line Item 2(e) Net change in other liabilities.

Report the amount of the net change in the other liabilities of the parent bank holding company. When the net change in liabilities reflects an increase, the entry should be reflected as a positive entry. When the net change reflects a decrease in liabilities, the entry should be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign.

Line Item 2(f) Net change in other assets.

Report the amount of the net change in the other assets of the parent bank holding company. When the net change in assets reflects an increase, the entry should be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign. When the net change reflects a decrease in assets, the entry should be reflected as a positive entry.

Line Item 2(g) Other, net.

Report the net amount of cash provided or (paid) by the parent bank holding company from operating activities that are not reported in the Line Items above. When the ‘‘net, other’’ reflects net cash provided, the amount must be reflected as a positive entry. When the ‘‘net, other’’ reflects net cash paid, the amount must be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign.

Line Item 2(h) Total adjustments (sum of items 2(a) through 2(g)).

Report the amount of the total adjustments to net income. The amount is the sum of Part I, items 2(a) through 2(g).

Line Item 3 Net cash provided (used) by operating activities (sum of Part I, items 1 and 2(h)).

Report the amount of net cash provided (used) by operating activities by the parent bank holding company. This amount is the sum of Part I, items 1 and 2(h).

Part II. Cash Flows from Investing Activities.

Line Item 1 Purchases of held-to-maturity and available-for-sale securities.

Report the amount of held-to-maturity and available-for-sale securities that were purchased by the parent bank holding company during the reporting period.

Line Item 2 Sales and maturities of held-to-maturity and available-for-sale securities.

Report the amount of held-to-maturity and available-for-sale securities that were sold or matured with principal received by the parent bank holding company during the reporting period.

Line Item 3 Payments for investments in and advances to subsidiaries.

Report the amount of investments in and advances to subsidiaries made by the parent bank holding company to subsidiaries during the reporting period.

Line Item 4 Sale or repayment of investments in and advances to subsidiaries.

Report the amount of investments in and advances to subsidiaries repaid or redeemed by the subsidiaries to the parent bank holding company during the reporting period.

Line Item 5 Other, net.

Report the net amount of cash provided or (paid) by the parent bank holding company from investing transactions that are not properly reflected in items 1 through 4 above. When the ''net, other'' reflects net cash provided, the amount must be reflected as a positive entry. When the ''net, other'' reflects net cash paid, the amount must be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign.

Line Item 6 Net cash provided (used) by investing activities (sum of Part II, items 2, 4, and 5 minus items 1 and 3).

Report the amount of net cash provided (used) by investing activities by the parent bank holding company. The amount of net cash provided should be recorded in parentheses rather than with a minus (–) sign. This amount is the sum of Part II, items 2, 4, and 5 minus items 1 and 3.

Part III. Cash Flows from Financing Activities.

Line Item 1 Proceeds from purchased funds and other short-term borrowings.

Report the amount of proceeds received by the parent bank holding company from the issuance of obligations that have a remaining maturity of one year or less during the reporting period. This includes: investment securities sold under agreements to repurchase; commercial paper, program notes, and master notes; and other borrowings with a remaining maturity of one year or less.

Line Item 2 Repayments of purchased funds and other short-term borrowings.

Report the amount of repayments made by the parent bank holding company on obligations that have a remaining maturity of one year or less during the reporting period. This includes: investment securities sold under agreements to repurchase; commercial paper, program notes, and master notes; and other borrowings with a remaining maturity of one year or less.

Line Item 3 Proceeds from advances from subsidiaries.

Report the amount of proceeds from advances or loans from subsidiaries to the parent bank holding company during the reporting period.

Line Item 4 Repayment of advances from subsidiaries.

Report the amount of repayments made by the parent bank holding company on advances or loans from subsidiaries during the reporting period.

Line Item 5 Proceeds from issuance of long-term debt.

Report the amount of proceeds received by the parent bank holding company from the issuance of obligations that have a remaining maturity of more than one year during the reporting period. This includes: other borrowed funds; mandatory convertible securities; subordinated notes and debentures; and limited-life preferred stock.

Line Item 6 Repayment of long-term debt.

Report the amount of repayments made by the parent bank holding company on obligations that have a remaining maturity of more than one year during the reporting period. This includes: other borrowed funds; mandatory convertible securities; subordinated notes and debentures; and limited-life preferred stock.

Line Item 7 Proceeds from issuance of common stock.

Report the amount of the proceeds from the issuance of common stock by the parent bank holding company during the reporting period. The amount reported should include any amounts associated with the issuance of common stock that are carried in the surplus account.

Line Item 8 Payment to repurchase common stock

Report the amount of the payments made by the parent bank holding company during the reporting period to repurchase common stock. The amount reported should include any amounts associated with the repurchase of common stock that have been carried in the surplus account.

Line Item 9 Proceeds from issuance of preferred stock.

Report the amount of the proceeds from the issuance of preferred stock by the parent bank holding company during the reporting period. The amount reported should include any amounts associated with the issuance of preferred stock that are carried in the surplus account. Amounts associated with the issuance of limited-life preferred stock should be reported in Line Items 5 and 6 above.

Line Item 10 Payment to repurchase preferred stock.

Report the amount of the payments made by the parent bank holding company during the reporting period to repurchase or redeem preferred stock. Payments made to repurchase or redeem limited-life preferred stock should be reported under Line Item 12 below.

Line Item 11 Dividends paid.

Report the amount of dividends paid on common and preferred stock by the parent bank holding company. Dividends associated with limited-life preferred stock should be reported under Line Item 12 below.

Line Item 12 Other, net.

Report the net amount of cash provided (used) by financing transactions that are not included in Line Items 1 through 11 above. When the ‘‘net, other’’ reflects net cash provided, the amount must be reflected as a positive entry. When the ‘‘net, other’’ reflects net cash paid, the amount must be reflected as a negative entry and recorded in parentheses rather than with a minus (–) sign.

Line Item 13 Net cash provided (used) by financing activities (sum of Part III, items 1, 3, 5, 7, 9, and 12 minus items 2, 4, 6, 8, 10, and 11).

Report the amount of net cash provided (used) by financing activities by the parent bank holding company. The amount of net cash used should be recorded in parentheses rather than with a minus (–) sign. This amount is the sum of Part III, items 1, 3, 5, 7, 9, and 12 minus items 2, 4, 6, 8, 10, and 11.

Part IV. Cash and cash equivalents.

Line Item 1 Net increase (decrease) in cash and cash equivalents (sum of Part I, item 3, Part II item 6, and Part III, item 13).

Report the amount of the net increase (decrease) in cash and cash equivalents. This amount is the sum of Part I, item 3, Part II, item 6, and Part III, item 13.

Line Item 2 Cash and cash equivalents at beginning of year.

Report the amount of cash and cash equivalents held at the beginning of the year. For the purpose of reporting, cash includes not only currency on hand but demand deposits with financial institutions. Cash also includes other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Cash equivalents are short-term, highly liquid investments that are both: readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less qualify under this definition. Examples of items generally considered to be cash equivalents are Treasury bills, commercial paper, money market funds, and federal funds sold.

Line Item 3 Cash and cash equivalents, current year-to-date (sum of Part IV, items 1 through 2).

Report the amount of cash and cash equivalents, current year-to-date. This amount is the sum of Part IV, items 1 and 2.

Notes to the Parent Company Only Financial Statements

This section has been provided to allow bank holding companies to provide additional explanations of the content of specific items in the parent company only Financial Statements. The reporting bank holding company should include any transactions reported on Schedules PC through PI-A that it wishes to explain or that have been separately disclosed in the bank holding company's quarterly reports to its shareholders, in its press releases, or on its quarterly reports to the Securities and Exchange Commission (SEC). Also include any transactions which previously would have appeared as footnotes to Schedules PC through PI-A.

Report in the space provided the schedule and line item for which the holding company is specifying additional information, a description of the transaction and, in the column provided, the dollar amount associated with the transaction being disclosed.

FR Y-9LP CHECKLIST

FRS EDCK	Schedule PC—Parent Company Only Balance Sheet
400	1. Sum of items 4.a(1) and 4.a(2) minus 4.b equals item 4.c
402	2. Sum of items 4.c and 4.d minus the sum of 4.e and 4.f equals item 4.g
406	3. Sum of items 1.a through 3 and 4.g through 9.c equals item 10
408	4. Sum of items 20.a through 20.e minus 20.f equals item 20.g
410	5. Sum of items 11 through 19 and 20.g equals item 21
412	6. Item 21 equals item 10

FRS EDCK	Schedule PC-A—Investments in Subsidiaries and Associated Companies
416	1. Sum of items 1.a(1) through 3.b(2) equals item 4
417	2. Item 4 equals Schedule PC, item 5

FRS EDCK	Schedule PC-B—Memoranda
420	1. Sum of items 11.a and 11.b equals Schedule PC, the sum of items 2.a through 2.c
425	2. Item 14 must be less than or equal to Schedule PC, the sum of items 13.a through 16

FRS EDCK	Schedule PI—Parent Company Only Income Statement
440	1. Sum of items 1.a(1) through 1.a(4) equals item 1.a(5)
442	2. Sum of items 1.b(1) through 1.b(4) equals item 1.b(5)
444	3. Sum of items 1.c(1) through 1.c(4) equals item 1.c(5)
446	4. Sum of items 1.a(5), 1.b(5), 1.c(5), 1.d, and 1.e equals item 1.f
448	5. Sum of items 2.a through 2.d equals item 2.e
450	6. Item 1.f minus 2.e equals item 3
452	7. Sum of items 3 and 5 minus 4 equals item 6
454	8. Sum of items 6 through 7.c equals item 8

FRS EDCK	Schedule PI-A—Cash Flow Statement
473	1. Part I, item 1 equals Schedule PI, item 8
474	2. Sum of Part I, items 2.a through 2.g equals Part I, item 2.h
478	3. Sum of Part I, items 1 and 2.h equals Part I, item 3
484	4 . Sum of Part II, items 2, 4, and 5 minus the sum of items 1 and 3 equals Part II, item 6
492	5. Sum of Part III, items 1, 3, 5, 7, 9, and 12 minus the sum of items 2, 4, 6, 8, 10, and 11 equals Part III, item 13
496	6. Sum of Part I, item 3, Part II, item 6, and Part III, item 13 equals Part IV, item 1
500	7. Sum of Part IV, items 1 and 2 equals Part IV, item 3