

CALL REPORT
INSTRUCTION BOOK UPDATE
DECEMBER 2010

FILING INSTRUCTIONS

NOTE: The pages listed in the column below headed "Remove Pages" are no longer needed in the *Instructions for Preparation of Consolidated Reports of Condition and Income* and should be removed and discarded. The pages listed in the column headed "Insert Pages" are included in this instruction book update and should be filed promptly in your instruction book.

Remove Pages

RC-O-1 – RC-O-2 (6-09)
RC-O-7 – RC-O-10 (6-10, 9-10)
RC-O-13 (9-10)

Insert Pages

RC-O-1 – RC-O-2 (12-10)
RC-O-7 – RC-O-10 (12-10)
RC-O-13 – RC-O-15 (12-10)

SCHEDULE RC-O – OTHER DATA FOR DEPOSIT INSURANCE AND FICO ASSESSMENTS

General Instructions

Each bank must complete items 1 and 2 (and, on the FFIEC 031 report, item 3), items 7 through 9, Memorandum items 1 and 5, and, if applicable, Memorandum items 2, 3, and 4 of Schedule RC-O on an unconsolidated single FDIC certificate number basis. Each separately chartered depository institution that is insured by the FDIC has a unique FDIC certificate number. When an insured bank owns another depository institution as a subsidiary, each institution should report only its own deposit liabilities in Schedule RC-O under its own FDIC certificate number (i.e., the parent bank should not combine the subsidiary institution's deposit liabilities with its own in Schedule RC-O).

In addition, an institution that meets one of the criteria discussed below must complete items 4 and 5 (and, on the FFIEC 031 report, item 6) of Schedule RC-O on an unconsolidated single FDIC certificate number basis each quarter.

Effective March 31, 2008, an institution that (a) reported \$1 billion or more in total assets as of the March 31, 2007, report date (regardless of its asset size in subsequent quarters) or (b) became insured by the FDIC on or after April 1, 2007, but before January 1, 2008, must report both quarter-end balances and daily averages for the quarter in Schedule RC-O. (The calculation of daily averages is discussed below in these General Instructions.) In addition, an institution that meets one of the following criteria must report both quarter-end deposit totals and daily averages in Schedule RC-O:

- (1) If an institution reports \$1 billion or more in total assets in two consecutive Reports of Condition and Income subsequent to its March 31, 2007, report, the institution must begin reporting both quarter-end balances and daily averages for the quarter beginning on the later of the March 31, 2008, report date or the report date six months after the second consecutive quarter in which it reports total assets of \$1 billion or more. For example, if an institution reports \$1 billion or more in total assets in its reports for June 30 and September 30, 2007, it would have to begin reporting daily averages in its report for March 31, 2008. If the institution reports \$1 billion or more in total assets in its reports for December 31, 2008, and March 31, 2009, it would have to begin reporting daily averages in its report for September 30, 2009.
- (2) If an institution becomes newly insured by the FDIC on or after January 1, 2008, the institution must report daily averages in Schedule RC-O beginning in the first quarterly Reports of Condition and Income that it files. The daily averages reported in the first report the institution files after becoming FDIC-insured would include the dollar amounts for the days since the institution began operations and zero for the days prior to the date the institution began operations, effectively pro-rating the first quarter's assessment base.
- (3) If an institution chose to begin reporting both quarter-end deposit totals and daily averages in Schedule RC-O as of any quarter-end report date during the interim period covering the March 31, 2007, through December 31, 2007, report dates, it must continue to report daily averages each quarter in 2008 and thereafter.

The deposit insurance assessment base of an institution that reports daily averages for total deposits and allowable exclusions will be determined using the daily averages rather than the institution's quarter-end balances.

General Instructions (cont.)

Any institution that reported less than \$1 billion in total assets in its March 31, 2007, report may continue to report only quarter-end total deposits and allowable exclusions until it meets the two-consecutive-quarter asset size test for reporting daily averages. Alternatively, the institution may opt permanently at any time to begin reporting daily averages for purposes of determining its assessment base. After an institution begins to report daily averages for its total deposits and allowable exclusions, either voluntarily or because it is required to do so, the institution is not permitted to switch back to reporting only quarter-end balances.

The amounts to be reported as daily averages are the sum of the gross amounts of total deposits (domestic and foreign) and allowable exclusions for each calendar day during the quarter divided by the number of calendar days in the quarter (except as noted above for an institution that becomes insured on or after January 1, 2008, in the first report it files after becoming insured). For an institution that has acquired another institution during the quarter, the acquired deposits for the days prior to the acquisition should not be included in the daily average calculation, regardless of the method used to account for the acquisition. For days that an office of the reporting institution (or any of its subsidiaries or branches) is closed (e.g., Saturdays, Sundays, or holidays), the amounts outstanding from the previous business day would be used. An office is considered closed if there are no transactions posted to the general ledger as of that date.

Item Instructions

Item No. Caption and Instructions

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| 1 | <p><u>Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations.</u> Report on an unconsolidated single FDIC certificate number basis the gross total deposit liabilities as of the calendar quarter-end report date that meet the statutory definition of deposits in Section 3(l) of the Federal Deposit Insurance Act before deducting exclusions from total deposits that are allowed in the determination of the assessment base upon which deposit insurance assessments (and FICO premiums) are calculated. Since the FDIC's amendments to its assessment regulations in 2006 did not substantially change the definition of deposits for assessment purposes, an institution's gross total deposit liabilities are the combination of:</p> <ul style="list-style-type: none"> • All deposits in "domestic offices" reported in Schedule RC, item 13.a; • All deposits in "foreign offices" reported in Schedule RC, item 13.b, on the FFIEC 031 report; • Interest accrued and unpaid on deposits in "domestic offices" reported in Schedule RC-G, item 1.a; • Interest accrued and unpaid on deposits in "foreign offices" included in Schedule RC-G, item 1.b; • Uninvested trust funds held in the institution's own trust department; • Deposits of consolidated subsidiaries and the interest accrued and unpaid on such deposits; • The amount by which demand deposits reported in Schedule RC, item 13, have been reduced from the netting of the reporting institution's reciprocal demand balances with foreign banks and foreign offices of other U.S. banks (other than insured branches in Puerto Rico and U.S. territories and possessions); and • The amount by which any other deposit liabilities reported in Schedule RC, item 13, have been reduced by assets netted against these liabilities in accordance with generally accepted accounting principles; |
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Memoranda**Item No. Caption and Instruction**

1 Schedule RC-O, Memorandum item 1.a, below. In addition, some brokered deposits are (cont.) transaction accounts or money market deposit accounts (MMDAs) that are denominated in amounts of \$0.01 and established and maintained by the deposit broker (or its agent) as agent, custodian, or other fiduciary for the broker's customers. An individual depositor's deposits within the brokered transaction account or MMDA normally do not exceed the applicable deposit insurance limit. As with retail brokered deposits, if information on these depositors and their account ownership capacity is not readily available to the bank establishing the transaction account or MMDA, the amounts in the transaction account or MMDA may be rebuttably presumed to be fully insured and should be reported as "Deposit accounts of \$250,000 or less" in Schedule RC-O, Memorandum item 1.a, below. Time deposits issued to deposit brokers in the form of large (\$250,000 or more) certificates of deposit that have been participated out by the broker in shares of less than \$250,000 should also be reported as "Deposit accounts of \$250,000 or less" in Schedule RC-O, Memorandum item 1.a, below.

When determining the number and size of deposit accounts, each individual certificate, passbook, account, and other evidence of deposit is to be treated as a separate account. For purposes of completing this Memorandum item, multiple accounts of the same depositor should not be aggregated. In situations where a bank assigns a single account number to each depositor so that one account number may represent multiple deposit contracts between the bank and the depositor (e.g., one demand deposit account, one money market deposit account, and three certificates of deposit), each deposit contract is a separate account.

1.a **Deposit accounts (excluding retirement accounts) of \$250,000 or less.** Report in the appropriate subitem the amount outstanding and the number of deposit accounts, excluding retirement deposit accounts (as defined in Schedule RC-O, Memorandum item 1), with a balance of \$250,000 or less as of the report date.

1.a.(1) **Amount of deposit accounts (excluding retirement accounts) of \$250,000 or less.** Report the aggregate balance of all deposit accounts, certificates, or other evidences of deposit (demand, savings, and time), excluding retirement deposit accounts, with a balance on the report date of \$250,000 or less. This amount should represent the total of the balances of the deposit accounts enumerated in Schedule RC-O, Memorandum item 1.a.(2) below.

1.a.(2) **Number of deposit accounts (excluding retirement accounts) of \$250,000 or less.** Report the total number of deposit accounts (demand, savings, and time), excluding retirement deposit accounts, with a balance on the report date of \$250,000 or less. Count each certificate, passbook, account, and other evidence of deposit that has a balance of \$250,000 or less.

1.b **Deposit accounts (excluding retirement accounts) of more than \$250,000.** Report in the appropriate subitem the amount outstanding and the number of deposit accounts, excluding retirement deposit accounts (as defined in Schedule RC-O, Memorandum item 1), with a balance of more than \$250,000 as of the report date.

Memoranda**Item No. Caption and Instruction**

- 1.b.(1) Amount of deposit accounts (excluding retirement accounts) of more than \$250,000.** Report the aggregate balance of all deposit accounts, certificates, or other evidences of deposit (demand, savings, and time), excluding retirement deposit accounts, with a balance on the report date of more than \$250,000. This amount should represent the total of the balances of the deposit accounts enumerated in Schedule RC-O, Memorandum item 1.b.(2) below.
- 1.b.(2) Number of deposit accounts (excluding retirement accounts) of more than \$250,000.** Report the total number of deposit accounts (demand, savings, and time), excluding retirement deposit accounts, with a balance on the report date of more than \$250,000. Count each certificate, passbook, account, and other evidence of deposit that has a balance of more than \$250,000.
- 1.c Retirement deposit accounts of \$250,000 or less.** Report in the appropriate subitem the amount outstanding and the number of retirement deposit accounts (as defined in Schedule RC-O, Memorandum item 1) with a balance of \$250,000 or less as of the report date.
- 1.c.(1) Amount of retirement deposit accounts of \$250,000 or less.** Report the aggregate balance of all retirement deposit accounts, certificates, or other evidences of deposit (demand, savings, and time) with a balance on the report date of \$250,000 or less. This amount should represent the total of the balances of the retirement deposit accounts enumerated in Schedule RC-O, Memorandum item 1.c.(2) below.
- 1.c.(2) Number of retirement deposit accounts of \$250,000 or less.** Report the total number of retirement deposit accounts (demand, savings, and time) with a balance on the report date of \$250,000 or less. Count each certificate, passbook, account, and other evidence of deposit which has a balance of \$250,000 or less.
- 1.d Retirement deposit accounts of more than \$250,000.** Report in the appropriate subitem the amount outstanding and the number of retirement deposit accounts (as defined in Schedule RC-O, Memorandum item 1) with a balance of more than \$250,000 as of the report date.
- 1.d.(1) Amount of retirement deposit accounts of more than \$250,000.** Report the aggregate balance of all retirement deposit accounts, certificates, or other evidences of deposit (demand, savings, and time) with a balance on the report date of more than \$250,000. This amount should represent the total of the balances of the retirement deposit accounts enumerated in Schedule RC-O. Memorandum item 1.d.(2) below.
- 1.d.(2) Number of retirement deposit accounts of more than \$250,000.** Report the total number of retirement deposit accounts (demand, savings, and time) with a balance on the report date of more than \$250,000. Count each certificate, passbook, account, and other evidence of deposit which has a balance of more than \$250,000.
- 2 Estimated amount of uninsured assessable deposits (in domestic offices of the bank and in insured branches in Puerto Rico and U.S. territories and possessions), including related interest accrued and unpaid.**

Schedule RC-O, Memorandum item 2, is to be completed on an unconsolidated single FDIC certificate number basis by banks with \$1 billion or more in total assets.

Memoranda**Item No. Caption and Instruction**

2
(cont.) Report the estimated amount of the bank's deposits (in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions) that is not covered by federal deposit insurance. This estimate should reflect the temporary unlimited insurance coverage on noninterest-bearing transaction accounts¹ (as defined in Schedule RC-O, Memorandum item 5) as well as the deposit insurance limits of \$250,000 for "retirement deposit accounts" (as defined in Schedule RC-O, Memorandum item 1) and \$250,000 for other deposit accounts (exclusive of noninterest-bearing transaction accounts), but without taking into account the effect of the bank's participation in the FDIC's Debt Guarantee Program. The reporting of this uninsured deposit information is mandated by Section 7(a)(9) of the Federal Deposit Insurance Act.

The estimated amount of uninsured deposits reported in this item should be based on the bank's deposits included in Schedule RC-O, item 1, "Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations," less item 2, "Total allowable exclusions, including interest accrued and unpaid on allowable exclusions (including foreign deposits)." In addition to the uninsured portion of deposits in "domestic offices" reported in Schedule RC, item 13.a, the estimate of uninsured deposits should take into account all other items included in Schedule RC-O, item 1 less item 2, including, but not limited to:

- Interest accrued and unpaid on deposits in domestic offices;
- Deposits in insured branches in Puerto Rico and U.S. territories and possessions (including interest accrued and unpaid on these deposits);
- Deposits of consolidated subsidiaries in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions (including interest accrued and unpaid on these deposits); and
- Deposit liabilities that have been reduced by assets netted against these liabilities in accordance with generally accepted accounting principles.

The bank's estimate of its uninsured deposits should be reported in accordance with the following criteria. Regardless of these criteria, all noninterest-bearing transaction accounts (as defined in Schedule RC-O, Memorandum item 5) must be treated as insured deposits and excluded from the estimate of uninsured deposits. Furthermore, it is recognized that a bank may have multiple automated information systems for different types of deposits and that the capabilities of a bank's information systems to provide an estimate of its uninsured deposits will differ from bank to bank at any point in time and, within an individual institution, may improve over time.

- (1) If the bank has brokered deposits, which must be reported in Schedule RC-E, Memorandum item 1.b, "Total brokered deposits," it must use the information it has developed for completing Schedule RC-E, Memorandum item 1.c, "Fully insured brokered deposits," to determine its best estimate of the uninsured portion of its brokered deposits.
- (2) If the bank has deposit accounts whose ownership is based on a fiduciary relationship, Part 330 of the FDIC's regulations generally states that the titling of the deposit account (together with the underlying records) must indicate the existence of the fiduciary relationship in order for insurance coverage to be available on a "pass-through" basis.

¹ Pursuant to Section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, unlimited insurance coverage on noninterest-bearing transaction accounts is in effect from December 31, 2010, through December 31, 2012.

Memoranda**Item No. Caption and Instruction**

2
(cont.)

Fiduciary relationships include, but are not limited to, relationships involving a trustee, agent, nominee, guardian, executor, or custodian.

A bank with fiduciary deposit accounts with balances of more than \$250,000 must diligently use the available data on these deposit accounts, including data indicating the existence of different principal and income beneficiaries and data indicating that some or all of the funds on deposit represent retirement deposit accounts eligible for \$250,000 in deposit insurance coverage, to determine its best estimate of the uninsured portion of these accounts.

- (3) If the bank has deposit accounts of employee benefit plans, Part 330 of the FDIC's regulations states that these accounts are insured on a "pass-through" basis for the non-contingent interest of each plan participant provided that certain prescribed recordkeeping requirements are met. A bank with employee benefit plan deposit accounts with balances of more than \$250,000 must diligently use the available data on these deposit accounts to determine its best estimate of the uninsured portion of these accounts.
- (4) If the bank's deposit accounts include benefit-responsive "Depository Institution Investment Contracts," which must be included in Schedule RC-O, item 2, these deposit liabilities are not eligible for federal deposit insurance pursuant to Section 11(a)(8) of the Federal Deposit Insurance Act. A bank with benefit-responsive "Depository Institution Investment Contracts" must include the entire amount of these contracts in the estimated amount of uninsured deposits it reports in this Memorandum item 2.
- (5) If the bank has deposit accounts with balances in excess of the federal deposit insurance limit that it has collateralized by pledging assets, such as deposits of the U.S. Government and of states and political subdivisions in the U.S. (which must be reported in Schedule RC-E, items 2 and 3, and, on the FFIEC 031 report form, in Schedule RC-E, part II, item 5), the bank should make a reasonable estimate of the portion of these deposits that is uninsured using the data available from its information systems.
- (6) If the bank has deposit accounts with balances in excess of the federal deposit insurance limit for which it has acquired private deposit insurance to cover this excess amount, the bank should make a reasonable estimate of the portion of these deposits that is not insured by the FDIC using the data available from its information systems.
- (7) For all other deposit accounts, the bank should make a reasonable estimate of the portion of these deposits that is uninsured using the data available from its information systems. In developing this estimate, if the bank has automated information systems in place that enable it to identify jointly owned accounts and estimate the deposit insurance coverage of these deposits, the higher level of insurance afforded these joint accounts should be taken into consideration. Similarly, if the bank has automated information systems in place that enable it to classify accounts by deposit owner and/or ownership capacity, the bank should incorporate this information into its estimate of the amount of uninsured deposits by aggregating accounts held by the same deposit owner in the same ownership capacity before applying the \$250,000 insurance limit. Ownership capacities include, but are not limited to, single ownership, joint ownership, business (excluding sole proprietorships), revocable trusts, irrevocable trusts, and retirement accounts.

Memoranda**Item No. Caption and Instruction**

- 4** Include public funds held in noninterest-bearing transaction accounts of more than \$250,000 (cont.) whether or not they are collateralized with pledged securities or other pledged assets.

For further information on the reporting of the average daily amount and the average daily number of noninterest-bearing transaction accounts of more than \$250,000, see the "Guidance on Revised Transaction Account Guarantee Program Reporting Requirements Effective September 30, 2010" at <http://www.fdic.gov/regulations/resources/TLGP/tagp-programReportingGuidance.pdf>.

- 4.a** **Average daily amount of noninterest-bearing transaction accounts of more than \$250,000.** Report the average daily amount of noninterest-bearing transaction accounts (as defined in Schedule RC-O, Memorandum item 4, above) with a balance of more than \$250,000. This average daily amount can be calculated by (1) summing, for each calendar day during the quarter, the amounts of all noninterest-bearing transaction accounts with a balance of more than \$250,000 on that day, (2) totaling the daily sums for all of the days during the calendar quarter, and (3) dividing the total of the daily sums by the number of calendar days in the quarter ending on the report date.

- 4.b** **Average daily number of noninterest-bearing transaction accounts of more than \$250,000.** Report the average daily number, rounded to two decimal places, of noninterest-bearing transaction accounts (as defined in Schedule RC-O, Memorandum item 4, above) with a balance of more than \$250,000. This average daily number can be calculated by (1) determining, for each calendar day during the quarter, the number of all noninterest-bearing transaction accounts with a balance of more than \$250,000 on that day, (2) totaling the daily number of such accounts for all of the days during the quarter, and (3) dividing the total of the daily numbers by the number of calendar days in the quarter.

- 5** **Noninterest-bearing transaction accounts (as defined in Section 343 of the Dodd-Frank Act) of more than \$250,000.**

NOTE: Schedule RC-O, Memorandum items 5.a and 5.b, below, for the amount and number of noninterest-bearing transaction accounts of more than \$250,000 are to be completed – beginning in the reports for December 31, 2010 – by all FDIC-insured depository institutions, whether or not they had previously opted to participate in the FDIC's Transaction Account Guarantee Program. Memorandum items 5.a and 5.b are to be reported as of the quarter-end report date, not as daily averages for the quarter.

Section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended the Federal Deposit Insurance Act with respect to the insurance coverage of noninterest-bearing transaction accounts. These amendments take effect December 31, 2010, and require the FDIC to "fully insure the net amount that any depositor at an insured depository institution maintains in a noninterest-bearing transaction account." This unlimited insurance coverage will be in effect only through December 31, 2012.

As defined in Section 343 of the Dodd-Frank Act, a "noninterest-bearing transaction account" is an account (in a domestic office or an insured branch in Puerto Rico or a U.S. territory or possession) "(I) with respect to which interest is neither accrued nor paid; (II) on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others;

Memoranda**Item No. Caption and Instructions**

5 and (III) on which the insured depository institution does not reserve the right to require
(cont.) advance notice of an intended withdrawal.”

Thus, the term “noninterest-bearing transaction account” includes all demand deposits, including certified checks and official checks (such as cashiers’ checks and money orders) drawn on the reporting institution. However, pursuant to Section 627 of the Dodd-Frank Act, as of July 21, 2011, institutions will no longer be restricted from paying interest on demand deposit accounts. At that time, if an institution modifies the terms of its demand deposit account agreement so that the account may earn interest, the account will no longer satisfy the definition of a noninterest-bearing transaction account, will no longer be eligible for full deposit insurance coverage, and should no longer be reported in Memorandum items 5.a and 5.b.

Even if checks may be drawn on the account, a “noninterest-bearing transaction account” does not include, for example, any transaction account that may earn interest, such as a negotiable order of withdrawal (NOW) account; a money market deposit account (MMDA) as defined in Federal Reserve Regulation D; or an Interest on Lawyers Trust Account (IOLTA).

Account features such as the waiver of fees or the provision of fee-reducing credits do not prevent an account from qualifying as a noninterest-bearing transaction account as long as the account otherwise satisfies the definition of a noninterest-bearing transaction account.

In determining whether funds are in a noninterest-bearing transaction account for purposes of reporting in Memorandum items 5.a and 5.b, the FDIC will apply its normal rules and procedures under Section 360.8 of the FDIC’s regulations for determining account balances at a failed insured depository institution. Under these procedures, funds may be swept or transferred from a noninterest-bearing transaction account to another type of deposit account or product that is not a noninterest-bearing transaction account. Except as described in the following sentence, unless the funds are in a noninterest-bearing transaction account after the completion of a sweep under Section 360.8, the funds in the resulting account or product will not be eligible for full deposit insurance coverage and they should not be reported in Memorandum items 5.a and 5.b. However, in the case of funds swept from a noninterest-bearing transaction account to a noninterest-bearing savings account as defined in Federal Reserve Regulation D, the FDIC will treat the swept funds as being in a noninterest-bearing transaction account. If the sum of the swept funds in the noninterest-bearing savings account plus any amount remaining in the related noninterest-bearing transaction account is more than \$250,000, this sum should be reported in Memorandum item 5.a and the swept funds and the related noninterest-bearing transaction account should be reported as one account in Memorandum item 5.b.

Include public funds held in “noninterest-bearing transaction accounts” of more than \$250,000 whether or not they are collateralized with pledged securities or other pledged assets.

Report in the appropriate subitem the amount outstanding and the number of noninterest-bearing transaction accounts (as defined above and in any FDIC regulations implementing Section 343) with a balance on the report date of more than \$250,000. An institution may exclude noninterest-bearing transaction accounts with a balance of more than \$250,000 if the entire balance in the account is fully insured under the FDIC’s regular deposit insurance

Memoranda**Item No. Caption and Instructions**

- 5** (cont.) rules (i.e., without considering the insurance protection provided under Section 343), such as joint account relationship rules or “pass-through” insurance coverage rules. In noninterest-bearing transaction accounts with a balance of more than \$250,000 where the entire balance is not fully insured, an institution may exclude any amounts over \$250,000 that are otherwise insured under the FDIC’s regular deposit insurance rules. These amounts may be excluded to the extent that they can be determined by the institution and fully supported in the institution’s workpapers for this report. An institution is not required to make a determination of amounts otherwise insured but may do so at its option.
- 5.a** **Amount of noninterest-bearing transaction accounts of more than \$250,000.**
Report the aggregate balance of all noninterest-bearing transaction accounts (as defined in Schedule RC-O, Memorandum item 5, above) with a balance on the report date of more than \$250,000. This amount should represent the total of the balances of the noninterest-bearing transaction accounts enumerated in Call Report Schedule RC-O, Memorandum item 5.b, below.
- 5.b** **Number of noninterest-bearing transaction accounts of more than \$250,000.**
Report the total number of noninterest-bearing transaction accounts (as defined in Schedule RC-O, Memorandum item 5, above) with a balance on the report date of more than \$250,000.

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