

Guidelines for Preparing an
Error-Free Call Report: FFIEC 002
Common Reporting Errors

Federal Reserve Bank of New York

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Guidelines for Preparing an Error-Free Call Report

(For FFIEC 002 Report)

Introduction

The following guideline serves as a reference for preparing the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002). These guidelines are primarily based on common reporting errors and the edit process developed and used by the Federal Reserve. However, they are not intended to be used as a substitute for the FFIEC 002 instructions. They should be viewed as a supplemental source of information to help ensure data accuracy.

General Instructions

The FFIEC 002 is completed using U.S. GAAP. Positions with related depository institutions are reported on Schedule M. Positions with nonrelated depository institutions and related nondepository institutions are reported on Schedules RAL, A, C, E, K, L, N, and P.

The most common errors to the FFIEC 002 are:

Common Reporting Errors General Instructions	
<i>Common Error</i>	<i>Correct Reporting</i>
Post-closing adjustments are not reflected on the FFIEC 002.	Entries made to general ledger accounts within 30 days after the report date (e.g., adjustments of accruals, posting of suspense items, and other quarter end adjusting entries) should be reported as if they had actually been posted to the general ledger before the close of business on the report date.
Transactions in non-U.S. currencies are not converted to U.S dollars.	All transactions denominated in non-U.S. currencies should be reported in U.S. dollars. The rates used for the conversion should be the spot exchange rate on the report date.
Balances and contracts between two departments of a branch or agency are reported on the FFIEC 002.	Intra-branch balances and contracts should be eliminated from the FFIEC 002.

Schedule RAL - Assets and Liabilities

Negative entries are not appropriate for most items on Schedule RAL. Assets with credit balances should be reported in the appropriate liability item and liabilities with debit balances should be reported in appropriate asset item.

Securities

b. U.S. Government securities:													
(1) U.S. Treasury securities.....	0260												1.b.(1)
(2) U.S. Government agency obligations	0371												1.b.(2)
c. Other bonds, notes, debentures, and corporate stock (including state and local securities):													
(1) Securities of foreign governments and official institutions	A003					A003							1.c.(1)
(2) Mortgage-backed securities:													
a. Issued or guaranteed by U.S. Government agencies	C416					C416							1.c.(2)a.
b. Other	C417					C417							1.c.(2)b.
(3) Other asset-backed securities	C036					C036							1.c.(3)
(4) All other	C037					C037							1.c.(4)

The most common errors for Line 1.b and 1.c are:

Common Reporting Errors	
“Securities” (Schedule RAL, Line 1.b and 1.c)	
Common Error	Correct Reporting
Held-to-maturity securities are reported at fair value.	In accordance with FAS 115, held-to-maturity securities should be reported at amortized cost (which includes the accretion of discounts and amortization of premiums).
Securities classified as available-for-sale are reported in “Trading assets: Other trading assets” (Line 1.f(2)).	In accordance with FAS 115, available-for-sale securities should be reported at fair value in Line 1.b or 1.c.
U.S. government agency securities collateralized by loans or mortgages are reported in Line 1.c(2)a.	U.S. government agency securities collateralized by loans or mortgages should be reported in Line 1.b(2).
Securities are reported using settlement date accounting.	Securities should be reported using trade date accounting.

Common Reporting Errors	
“Securities” (Schedule RAL, Line 1.b and 1.c)	
Common Error	Correct Reporting
Unaccreted discounts and unamortized premiums for held-to-maturity securities are reported in “Other assets”, Line 1.h and “Other liabilities”, Line 4.f.	Unaccreted discounts and unamortized premiums for held-to-maturity securities should be excluded from the FFIEC 002.
The historical cost of equity securities that do not have a readily determinable fair value are reported in Line 1.c.	The historical cost of equity securities that do not have a readily determinable fair value should be reported in “Other assets”, Line 1.h.

Federal funds sold and securities purchased under agreements to resell

d. Federal funds sold and securities purchased under agreements to resell:									
(1) Federal Funds sold:									
a. With depository institutions in the U.S	C412				C412				1.d.(1)a.
b. With others	C413				C413				1.d.(1)b.
(2) Securities purchased under agreements to resell:									
a. With depository institutions in the U.S.	C414				C414				1.d.(2)a.
b. With others	C415				C415				1.d.(2)b.

The most common errors for Line 1.d are:

Common Reporting Errors	
“Federal Funds Sold and Repurchase Agreements” (Schedule RAL, Line 1.d)	
Common Error	Correct Reporting
Repurchase agreements with brokers are reported in “Trading assets”, Line 1.f.	Repurchase agreements with brokers should be reported in Line 1.d(2)b.
Overnight federal funds sold to commercial and industrial customers are reported in Line 1.d(1)b.	Federal funds sold to commercial and industrial customers should be reported as a loan on Schedule C, “Commercial and industrial loans”, Line 4.

Common Reporting Errors “Federal Funds Sold and Repurchase Agreements” (Schedule RAL, Line 1.d)	
Common Error	Correct Reporting
Term federal funds sold (unsecured loans with a maturity of more than one day) are reported in Line 1.d(1).	Term federal funds sold should be reported on Schedule C, according to counterparty.

Trading assets

f. Trading assets:							
(1) U.S. Treasury and Agency securities	C418				C418		1.f.(1)
(2) Other trading assets	C419				C419		1.f.(2)

Assets held for trading purposes include:

- Securities
- Certificates of Deposit (CDs)
- Loans
- Commercial Paper
- Bankers acceptances
- The positive fair value of derivative contracts held for trading purposes.

The most common errors in Line 1.f are:

Common Reporting Errors “Trading Assets” (Schedule RAL, Line 1.f)	
Common Error	Correct Reporting
Securities classified as available-for-sale are reported as trading assets.	Only securities held in the trading account should be reported on Line 1.f.
The positive fair values of derivative contracts held for trading purposes are excluded.	The positive fair values of derivative contracts held for trading purposes should be reported gross (unless they meet the netting criteria of Financial Accounting Standards Board Interpretation No. 39 (FIN 39)) in “Trading assets”. In addition, the unrealized gain from these contracts should be included in the

Common Reporting Errors
“Trading Assets” (Schedule RAL, Line 1.f)

Common Error	Correct Reporting
	calculation of the branch or agency’s net unremitted profit on Schedule M, Part I, “Non-U.S. domiciled offices of related depository institutions: Head office of parent bank”, Line 2.a, Column B.
Accrued interest receivable from derivative contracts held for trading purposes are reported net in Line 1.f(2).	Accrued interest receivable from derivative contracts held for trading purposes should be reported gross (unless FIN 39 applies) in Line 1.h, “Other assets”, if a receivable.
Accrued interest payable from derivative contracts held for trading purposes are reported net in Line 1.f.	Accrued interest payable from derivative contracts held for trading purposes should be reported gross (unless FIN 39 applies) in Line 4.f, “Other liabilities”.
The fair values of derivative contracts held for hedging purposes are reported net in Line 1.f(2).	The fair values of derivative contracts held for hedging purposes should be reported gross (unless FIN 39 applies) in Line 1.h, if a gain or Line 4.f, if a loss.

Customers' liability to this branch or agency on acceptances outstanding

g. Customers' liability to this branch or agency on acceptances outstanding:								
(1) U.S. addressees (domicile).....	2156							1.g.(1)
(2) Non-U.S. addressees (domicile).....	2157							1.g.(2)

The customer’s liability to repay the reporting branch or agency should be reported in:

Line 1.g if the customer is a nonrelated institution or related nondepository institution.

Schedule M, Part I, as a due from, if the customer is a related depository institution.

When the branch or agency:

- Acquires its own acceptance (through initial discounting or subsequent purchase) the acceptance should be reported as a loan on Schedule C, according to counterparty, and excluded from Line 1.g.
- Purchases or discounts an acceptance drawn on another bank, the acceptance should be reported as a loan on Schedule C, Line 2 according to location of the bank.
- Sells its own acceptance that it had previously purchased (discounted), the sale of the acceptance should be excluded from Schedule C, and reported on Schedule RAL, Line 1.g and Line 4.d.
- Purchases or sells participations in acceptances, it should not change the initial reporting of the acceptance in Line 1.g. The sales of participations are reported on Schedule L, Off-Balance Sheet Items, Line 5.

The most common errors in Line 1.g are:

Common Reporting Errors	
“Bankers Acceptances” (Schedule RAL, Line 1.g)	
Common Error	Correct Reporting
Banker’s acceptances of the parent bank, held by a branch or agency, are reported on Schedule RAL, Line 1.g.	Claims from banker’s acceptances that are issued by the parent bank and held by the branch or agency should be reported in the due from head office line on Schedule M, Part I, “Non-U.S. domiciled offices of related depository institutions: Head office of parent bank”, Line 2.a, Column A.
Acceptances executed for institutions located outside the U.S. are reported on Schedule RAL, “U.S. addressees (domicile)”, Line 1.g(1).	Acceptances executed for institutions located outside the U.S. should be reported on Schedule RAL, “Non-U.S. addressees (domicile)”, Line 1.g(2).

Common Reporting Errors
“Bankers Acceptances” (Schedule RAL, Line 1.g)

Common Error	Correct Reporting
Discounted bankers acceptances of nonrelated banks are reported in Line 1.g.	When a reporter purchases or discounts an acceptance drawn on another bank, it should be reported as a loan on Schedule C, “Loans to depository institutions and acceptances of other banks”, Line 2, according to the location of the bank.
Discounted acceptances of the reporting branch or agency are reported in Line 1.g.	When a reporter acquires its own acceptance (through initial discounting or a subsequent purchase), it should be reported as a loan on Schedule C, according to counterparty and excluded from Schedule RAL, Line 1.g.
Acceptances of the reporter that are rediscounted (sold) are reported on Schedule C.	Acceptances of the reporter that are subsequently rediscounted should be reported on Schedule RAL, Line 1.g according to the location of the customer and “Branch or agency liability on acceptances executed and outstanding”, Line 4.d.
Letters of credit are reported in Line 1.g.	Letters of credit should be excluded from Line 1.g and only reported on Schedule L, “Standby letters of credit” Line 3 or “Commercial and similar letters of credit”, Line 4.

"Other assets" (including other claims on nonrelated parties)

h. Other assets including other claims on nonrelated parties	2151				2151				1.h.
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"Other assets" include assets that are not classified elsewhere on the balance sheet, such as:

- Fixed assets
- Other real estate owned (OREO)
- Margin accounts
- Prepaid expenses
- Precious metals inventory
- Income earned and not collected (however, accrued interest receivable on loans in nonaccrual status should be *excluded* from the FFIEC 002)
- Premiums paid on option contracts not held for trading purposes
- The positive fair value of derivative contracts qualifying as hedging instruments under FAS 133.

Other assets should be reviewed to check if the reporter is including items that should be classified elsewhere in the FFIEC 002 report.

The most common errors in Line 1.h are:

Common Reporting Errors "Other Assets" (Schedule RAL, Line 1.h)	
Common Error	Correct Reporting
The fair values of derivative contracts not qualifying as hedging instruments are reported net in Line 1.h.	The fair values of derivative contracts not qualifying as hedging instruments should be reported gross (unless FIN 39 applies) in "Trading assets: Other trading assets", Line 1.f(2), if a gain or "Trading liabilities", Line 4.e, if a loss.
The fair values of derivative contracts qualifying as hedging instruments are reported net in "Other liabilities", Line 4.f.	The fair values of derivative contracts qualifying as hedging instruments should be reported gross (unless FIN 39 applies) in Line 1.h, if gain or Line 4.f, if loss.

Common Reporting Errors	
“Other Assets” (Schedule RAL, Line 1.h)	
Common Error	Correct Reporting
The positive fair values of derivative contracts qualifying as hedging instruments are reported in “Trading assets: Other trading assets”, Line 1.f(2).	The positive fair values of derivative contracts qualifying as hedging instruments should be reported in Line 1.h.
Accrued interest receivable on nonaccrual loans are reported in Line 1.h.	All previously accrued and uncollected interest on loans in nonaccrual status should be excluded from the FFIEC 002.
Tax receivables and prepaid income tax are reported in Line 1.h.	Tax assets (including tax receivables and prepaid taxes) should be excluded from the FFIEC 002.
An investment in a nonbank subsidiary is reported at cost.	Investments in nonbank subsidiaries should be reported using the equity method of accounting.
Cash items in the process of collection are reported in Line 1.h.	Cash items in the process of collection should be reported on Schedule A, “Cash items in process of collection and unposted debits”, Line 1.
Real estate acquired through foreclosures are excluded from Line 1.h and reported on Schedule C, “Loans secured by real estate” (Line 1).	Real estate acquired from foreclosures should be excluded from Schedule C and N, and the fair value of the real estate should be reported on Schedule RAL, Line 1.h.
Depreciation of fixed assets is not deducted from the value of the fixed assets reported in Line 1.h.	All fixed assets should be reported at book value (i.e., original cost less accumulated depreciation).
Margin accounts maintained with brokers are reported in “Trading assets: Other trading assets”, Line 1.f(2).	Balances held in margin accounts regardless of purpose of the underlying transaction should be reported in Line 1.h.

Common Reporting Errors	
“Other Assets” (Schedule RAL, Line 1.h)	
Common Error	Correct Reporting
Unaccreted discount for held-to-maturity securities are reported in Line 1.h.	Unaccreted discounts should be excluded from the FFIEC 002.

Total assets

3. Total assets (for Column A, sum of items 1.i and 2.a; for Column B, sum of items 1.i and 2.b).....									3.
	2170				2170				

Though possible, it would be highly unusual for the branch or agency’s “Total claims on nonrelated parties”, Line 1.I and “Total assets” Line 3 to be the same amount as the prior quarter's total assets.

Federal funds purchased and securities sold under agreements to repurchase

b. Federal funds purchased and securities sold under agreements to repurchase:									
(1) Federal Funds Purchased:									
a. With depository institutions in the U.S.	C420				C420				4.b.(1)a.
b. With others	C421				C421				4.b.(1)b.
(2) Securities sold under agreements to repurchase:									
a. With depository institutions in the U.S.	C422				C422				4.b.(2)a.
b. With others	C423				C423				4.b.(2)b.

The most common errors in Line 4.b are:

Common Reporting Errors	
“Federal Funds Purchased” (Schedule RAL, Line 4.b)	
Common Error	Correct Reporting
Federal funds purchased from a related depository institution are reported in Line 4.b(1).	Federal funds purchased from related depository institutions should reported on Schedule M, according to counterparty.
Term federal funds purchased (unsecured borrowings with a maturity of more than one day) are reported in Line 4.b(1).	Term federal funds purchased should be reported on Schedule P, according to counterparty.

Common Reporting Errors “Bankers Acceptances” (Schedule RAL, Line 4.d)	
Common Error	Correct Reporting
The sale of discounted acceptances of the reporting branch or agency are reported on Schedule C.	The sale of the branch or agency’s own acceptance that it had previously purchased (discounted) should be excluded from Schedule C and reported on Line 1.g and 4.d.
Discounting of a branch or agency acceptances are reported on Schedule RAL, in Line 1.g or 4.d.	Discounting of a branch or agency acceptances should be excluded from Line 1.g and 4.d and be reported as a loan on Schedule C, according to counterparty.

Trading liabilities

e. Trading liabilities.....	3548				3548				4.e.
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Trading liabilities include short sales of securities and the negative fair value of derivative contracts held for trading purposes.

The most common errors in Line 4.e are:

Common Reporting Errors “Trading Liabilities” (Schedule RAL, Line 4.e)	
Common Error	Correct Reporting
The negative fair values on derivative contracts held for trading purposes are excluded.	The negative fair values on derivative contracts held for trading purposes should be reported gross (unless they meet the netting criteria of the Financial Accounting Standards Board Interpretation No. 39 (FIN 39)) in “Trading liabilities”. In addition, the unrealized losses from these contracts should be included in the calculation of your institution’s net unremitted profit (or loss) on Schedule M, “Due from/Due to related institutions in the U.S. and in foreign countries” Part I, Line 2.a.

Common Reporting Errors “Trading Liabilities” (Schedule RAL, Line 4.e)	
Common Error	Correct Reporting
The fair values of derivative contracts held for trading purposes are reported net in “Trading assets: Other trading assets”, Line 1.f(2).	The fair values of derivative contracts held for trading purposes should be reported gross (unless FIN 39 applies) in Line 1.f(2), if a gain or Line 4.e, if a loss.
The negative fair values of derivative contracts with related depository institutions are reported in Line 4.e.	The negative fair values of derivative contracts with related parties should be reported on Schedule M, “Due from/Due to related institutions in the U.S. and in foreign countries” according to counterparty.

Other liabilities (to nonrelated parties)

f. Other liabilities to nonrelated parties.....	2016				2016				4.f.
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Line 4.f includes any liabilities that cannot be reported elsewhere on the balance sheet, such as:

- Expenses accrued and unpaid
- Accounts payable
- The negative fair value of derivative contracts qualifying as hedging instruments under FAS 133.

Other liabilities should be reviewed to check if the reporter is including items as “Other liabilities” that should be classified elsewhere in the FFIEC 002 report.

The most common errors in Line 4.f are:

Common Reporting Errors “Other Liabilities” (Schedule RAL, Line 4.f.)	
Common Error	Correct Reporting
The fair values of derivative contracts qualifying as hedging instruments are reported net in “Trading liabilities”, Line 4.e.	The fair values of derivative contracts qualifying as hedging instruments should be reported gross (unless FIN 39 applies) in Line 1.h (if gain) or Line 4.f, if loss.

Common Reporting Errors “Other Liabilities” (Schedule RAL, Line 4.f.)	
Common Error	Correct Reporting
Accounts payable are netted against receivables in “Other assets”, Line 1.h.	All accounts payable should be reported gross in Line 4.f.
Accrued expenses payable to related depository institutions are reported in Line 4.f.	Accrued expenses payable to related depository institutions should be reported on Schedule M, according to counterparty.
Suspense accounts are reported in Line 4.f.	Credits that are posted to the proper accounts after the report date should be reflected in the appropriate line on Schedule RAL at the time the FFIEC 002 is filed.
Unamortized premiums on held-to-maturity securities are reported in Line 4.f.	Unamortized premiums on securities should be excluded from the FFIEC 002.
Unearned income from loans are reported in Line 4.f.	Unearned income from loans should be deducted from the loans reported on Schedule C.
Tax payables are reported in Line 4.f.	Tax liabilities should not be reported on the FFIEC 002.
Reserves held for credit losses arising from off-balance sheet credit commitments are excluded.	Reserves held for credit losses from credit commitments should be reported in Line 4.f.

Memoranda Section

Fair value of held-to-maturity securities

Memoranda									
1. Fair value of held-to-maturity securities	1771				1771				M.1.
2. Amortized cost of held-to-maturity securities	1754				1754				M.2.
3. Fair value of available-for-sale securities	1773				1773				M.3.
4. Amortized cost of available-for-sale securities	1772				1772				M.4.

It would be unusual for the total fair value of a reporter's held-to-maturity securities (or available-for-sale securities) to be equal to their amortized cost. If this occurs, the reporter should confirm the amounts reported on Schedule RAL, 1.b and 1.c.

The most common error in Schedule RAL, Memoranda 1 is:

Common Reporting Errors Schedule RAL, Memoranda	
Common Error	Correct Reporting
Held-to-maturity securities are reported at amortized cost on Schedule RAL, Memorandum, Line 1.	The fair value of held-to-maturity securities should be reported on Schedule RAL, Memorandum, Line M.1.

Revaluation gains/losses on interest rate, foreign exchange rate, and other commodity and equity contracts held for trading purposes

10. Revaluation gains on interest rate, foreign exchange rate, and other commodity and equity contracts held for trading purposes	3543				3543				M.10.
11. Revaluation losses on interest rate, foreign exchange rate, and other commodity and equity contracts held for trading purposes	3547				3547				M.11.

The most common errors on Schedule RAL, Memoranda 10 and 11 are:

Common Reporting Errors “Revaluation gains and losses” (Schedule RAL, Memoranda 10 and 11)	
Common Error	Correct Reporting
The fair value of derivative contracts held for trading purposes are excluded from Memoranda 10 and 11.	The fair value of derivative contracts held for trading purposes should be included in Memoranda 10 and 11.
The fair value of derivative contracts held for trading purposes with related depository institutions are included in Memoranda 10 and 11.	The fair value of derivative contracts held for trading purposes with related depository institutions should be excluded from Memoranda 10 and 11, and should be reported on Schedule M, “Due from/Due to related institutions in the U.S. and in foreign countries” Part I, Line 2.a.

Common Reporting Errors	
“Revaluation gains and losses” (Schedule RAL, Memoranda 10 and 11)	
Common Error	Correct Reporting
The fair value of spot foreign exchange contracts are excluded from Line 1.f(2) and 4.e.	The fair value of spot foreign exchange contracts should be included in Line 1.f(2) and Line 4.e, and be reported in Memoranda 10 and 11.
The fair value of derivative contracts held for trading purposes are reported net in Memoranda 10 and 11.	The fair value of derivative contracts held for trading purposes should be reported gross (unless FIN 39 applies) in Memoranda 10 and 11.

If other assets including other claims on nonrelated parties (item 1.h) exceed 5 percent of total assets (item 3), itemize and describe amounts that exceed 25 percent of item 1.h

14. If other assets including other claims on nonrelated parties (item 1.h) exceed 5 percent of total assets (item 3), itemize and describe amounts that exceed 25 percent of item 1.h.						
a. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A539</td></tr></table>	TEXT A539	A539				M.14.a.
TEXT A539						
b. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A540</td></tr></table>	TEXT A540	A540				M.14.b.
TEXT A540						
c. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A541</td></tr></table>	TEXT A541	A541				M.14.c.
TEXT A541						

If the amount reported in “Other assets” (Schedule RAL, Line 1.h, Column A) divided by the amount reported on “Total assets” (Schedule RAL, item 3, Column A) exceeds 5 percent, the branch or agency should review the components that comprise “Other assets” (Schedule RAL, Line 1.h) to ensure that no component is greater than 25% of the total reported in “Other assets”.

If other liabilities to nonrelated parties (item 4.f) exceed 5 percent of total liabilities (item 6), itemize and describe amounts that exceed 25 percent of item 4.f

15. If other liabilities to nonrelated parties (item 4.f) exceed 5 percent of total liabilities (item 6), itemize and describe amounts that exceed 25 percent of item 4.f.						
a. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A542</td></tr></table>	TEXT A542	A542				M.15.a.
TEXT A542						
b. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A543</td></tr></table>	TEXT A543	A543				M.15.b.
TEXT A543						
c. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="font-size: small;">TEXT A544</td></tr></table>	TEXT A544	A544				M.15.c.
TEXT A544						

If the amount reported in "Other liabilities" (Schedule RAL, Line 4.f, Column A) divided by the amount reported on "Total liabilities" (Schedule RAL, Line 6, Column A) exceeds 5 percent, the branch or agency should review the components that comprise "Other liabilities" to ensure that no component is greater than 25% of the total reported in "Other liabilities".

Asset maintenance requirement

STATUTORY OR REGULATORY REQUIREMENT as appropriate for the reporting institution (see instructions)					
1. Asset maintenance requirement	3343				S.1.
2. Asset pledge requirement/Capital equivalency deposit	3349				S.2.
3. FDIC asset maintenance requirement (for FDIC insured branches only):					
a. Average liabilities for the preceding calendar quarter	2334				S.3.a.
b. Eligible assets as of the report date	2387				S.3.b.

The amount reported should not be greater than "Total assets" (Schedule RAL, Line 3, Column A).

The most common errors in Line S.1 are:

Common Reporting Errors "Asset Maintenance Requirement" (Schedule RAL, Line S.1)	
Common Error	Correct Reporting
The value of assets pledged to meet state and federal requirement is reported at book value.	The value of assets pledged to meet state and federal requirement should be reported at the lower of cost or fair value.
The amount reported for the asset maintenance is the pledge requirement instead of the actual amount pledged.	The amount reported for the asset maintenance should be the lower of cost or fair value of the assets actually pledged.

Asset pledge requirement/Capital equivalency deposit

The amount reported should not be greater than "Total assets" (Schedule RAL, Line 3, Column A).

The most common errors in Line S.2 are:

Common Reporting Errors	
Statutory or Regulatory Requirement (Schedule RAL, Line S.2)	
Common Error	Correct Reporting
Collateralized mortgage obligations (CMOs) issued by U.S. government agencies or corporations are reported in Line S.2.	Collateralized mortgage obligations (CMOs) issued by U.S. government agencies or corporations should be excluded from Line S.2.
Certificates of deposit (CDs) are reported at face value in Line S.2.	Assets reported in Line S.2 should be valued at the lower of cost or market (including CDs).

FDIC asset maintenance requirement: Average Liabilities for the preceding calendar quarter

"Average liabilities" should not equal total liabilities as reported on Schedule RAL, Line 6. If the reporting entity is not an FDIC-insured branch, item S.3.a should be left blank.

FDIC asset maintenance requirement: Eligible Assets as of the report date

"Eligible assets" should be left blank if the reporting entity is not an FDIC-insured branch. If the reporting entity is an FDIC-insured branch, the amount reported on Line S.3.b should be compared to Line S.3.a. If Line S.3.b equals or is greater than Line S.3.a, the accuracy of the data should be confirmed.

Schedule A -- Cash and Balances Due from Depository Institutions

Cash items in process of collection and unposted debits

1. Cash items in process of collection and unposted debits	0020				0020				1.
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or any other depository institution for which the branch or agency has not yet received credit.

- Currency and coin in transit from a Federal Reserve Bank or any other depository institution for which the branch or agency's account has already been charged.

The most common errors in Line 2 are:

Common Reporting Errors "Currency and Coin" (Schedule A, Line 2)	
Common Error	Correct Reporting
Precious metals inventories are included in Line 2.	Precious metals inventories are excluded from Line 2 and reported in Schedule RAL, "Other assets", Line 1.h.
Non-U.S. currency owned and held in a branch or agency's "vault" is excluded from Schedule A.	Non-U.S. currency held at a branch or agency should be converted into U.S. dollar equivalents as of the report date and reported in Line 2.

Balances due from banks and foreign central banks

3. Balances due from depository institutions in the U.S.:									
a. U.S. branches and agencies of other foreign banks (including their IBFs).....	0083				0083				3.a.
b. Other depository institutions in the U.S. (including their IBFs).....	0085				0085				3.b.

Line 3 and 4 includes funds on deposit at other depository institutions. Due from balances include:

- Demand deposits
- Placements
- Savings deposits
- Certificates of deposit

Overdrafts incurred by a branch or agency on deposit accounts held at other depository institutions are raised to zero and are not netted from deposit reported on Schedule A (report these in Schedule P).

The most common errors in Line 3 and 4 are:

Common Reporting Errors	
“Balances Due From Depository Institutions”(Schedule A, Line 3 & 4)	
Common Error	Correct Reporting
Checks forwarded for collection that had not cleared are reported in “Balances due from depository institutions”, Line 3 or Line 4.	Checks in the process of collection for which credit has not been received should be reported in Line 1.
CDs held for investment purposes are reported in “Trading assets”, Line 1.f.	CDs held for investment purposes should be reported in Line 3 or 4 depending on the issuer.
Overdrawn deposit accounts held at other depository institutions are netted against balances due from banks in Line 3 or 4.	Overdrawn due from balances are borrowings, therefore the amount of the overdraft should be raised to zero on Schedule A and the amount of the overdraft should be reported on Schedule P.
Certificates of deposit (CDs) purchased from depository institutions are reported as securities on Schedule RAL, Line 1.b or 1.c.	Balances due from depository institutions (including CDs) not held in trading accounts should be reported in Line 3 or 4 depending on the issuer.
Balances due from the Federal Reserve Bank are reported in Line 3.b.	Balances due from the Federal Reserve Bank should be reported in Line 5.

Balances due from Federal Reserve Banks

5. Balances due from Federal Reserve Banks	0090					5.
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All balances with a Federal Reserve Bank should be reported in Line 5.

Schedule C – Loans

Part. I Loans and Leases

Schedule C includes the carrying value all loans and leases before the deduction of general allowance for loans and lease losses. All loans are categorized according to collateral, borrower, or purpose and should be reported net of unearned income (to the extent possible). Selected memoranda items collect information on maturity and repricing. Schedule C is divided into two parts. Part I includes all loans and leases. Part II, to be completed only for the June report date, includes loans to small businesses and small farms.

Loans include:

- The sale of immediately available funds for more than one business day
- Depositor overdrafts
- Discounted acceptances
- Loans held for sale
- Loans that are past due, in nonaccrual or restructured status
- Resale agreements involving assets other than securities with a maturity of more than one business day.

Loans exclude:

- The sale of immediately available funds that mature in one business day or continuing contact (report on Schedule RAL, Line 1.d)
- Deposits held at other depository institutions (report on Schedule A)
- Accrued interest receivable (report on Schedule RAL, Line 1.h)
- Loans to related depository institutions (report on Schedule M, according to counterparty)
- Other real estate owned (OREO) (report on Schedule RAL, Line 1.h).

The most common errors on Schedule C relate to specific reserves, unearned income, loans held in trading accounts, loans to related parties, and overdrafts of depositors, such as:

Common Reporting Error
“Loans” (General Instructions for Schedule C)

Common Error	Correct Reporting
Loans are reported net of specific reserves when there is no identified loss.	Loans should be reported at full book value throughout the FFIEC 002 unless there is an identified loss. Any reserves maintained that are not for identified losses should be reported on Schedule M, Part I, Line 2.a, Column B as a due to head office and on Schedule M, Part IV, “Amount of allowance for loan losses, if any, carried on the books of the reporting branch or agency including its IBF”, Line 1.
Specific reserves held for identified loan losses are not deducted from the value of the individual loans on Schedule C.	All loans should be reported net of specific reserves on the FFIEC 002. In addition, specific reserves should be excluded from Schedule M, Part IV, “Amount of allowance for loan losses, if any, carried on the books of the reporting branch or agency including its IBF”, Line 1.
Loans to related depository institutions are reported on Schedule C.	Loans to related depository institutions should be reported on Schedule M, according to counterparty.
Accrued interest receivable on loans are reported on Schedule C.	Accrued interest receivable on loans should be reported on Schedule RAL, “Other assets”, Line 1.h.
Overdrafts of depositors are netted against deposits reported on Schedule E.	Overdrafts in deposit accounts are loans, therefore the amount of the overdraft should be raised to zero on Schedule E and the amount of the overdraft should be reported on Schedule C. Unplanned overdrafts (other than overdrafts of depository institutions and foreign governments and official institutions) should be reported on Schedule C, “All other loans”, Line 8. Planned overdrafts should be reported on Schedule C, according to counterparty.

Common Reporting Error “Loans” (General Instructions for Schedule C)	
Common Error	Correct Reporting
Loans held for sale are reported at historical cost on Schedule C.	Loans held for sale should be reported at the lower of cost or fair value on Schedule C.
Loans held for trading purposes are reported on Schedule C.	Loans held for trading purposes should be included on Schedule RAL, "Trading assets; Other trading assets", Line 1.f(2).
Loan origination fees are included in the value loans on Schedule C.	Loan origination fees (including management fees) should be deferred, and amortized. The unamortized loan fees should be deducted from the related loan balances and excluded from Schedule M until the income is amortized.

Loans secured by real estate

1. Loans secured by real estate	1410					1410				1.
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All loans secured, regardless of purpose or counterparty, except loans issued to state and political subdivisions, should be reported in Line 1.

The most common errors in Line 1 are:

Common Reporting Errors “Loans secured by real estate” (Schedule C, Line 1)	
Common Error	Correct Reporting
Loans secured by real estate are reported according to borrower.	All loans (except those that are issued to state or political subdivisions) secured by real estate should be reported on Line 1.
Real estate acquired in satisfaction of a debt or foreclosure is reported on Line 1.	Real estate collateral received in settlement of debts previously contracted should be reported on Schedule RAL, "Other assets", Line 1.h.

Loans to depository institutions and acceptances of other

2. Loans to depository institutions and acceptances of other banks:												
a. To commercial banks in the U.S. (including their IBFs):												
(1) To U.S. branches and agencies of other foreign banks				B532				B532				2.a.(1)
(2) To other commercial banks in the U.S.				B533				B533				2.a.(2)
b. To other depository institutions in the U.S. (including their IBFs).....				B534				B534				2.b.
c. To banks in foreign countries:												
(1) To foreign branches of U.S. banks.....				B536				B536				2.c.(1)
(2) To other banks in foreign countries.....				B537				B537				2.c.(2)

Depository institutions are institutions that can accept deposits. These include:

- Edge and Agreement corporations
- Commercial banks
- Credit unions
- Thrifts.

The common error in Line 2 is:

Common Reporting Errors	
“Acceptances of Other Banks” (Schedule C, Line 2)	
Common Error	Correct Reporting
Discounted bankers acceptances of nonrelated banks are reported on Schedule RAL, Line 1.g.	When a branch or agency purchases or discounts an acceptance drawn on another bank, it should be reported as a loan in Line 2.

Loans to other financial institutions

3. Loans to other financial institutions	1520				1520				3.
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Financial institutions are financial intermediaries whose primary business is to extend credit. These include:

- Investment banks
- Real estate investment trusts (REITs)
- Mortgage companies
- Finance companies
- Bank holding companies
- Insurance companies.

Commercial and industrial loans

4. Commercial and industrial loans:									
a. To U.S. addressees (domicile)	1763				1763				4.a.
b. To non-U.S. addressees (domicile)	1764				1764				4.b.

Commercial and industrial loans may take the form of direct or purchased loans. Commercial and industrial loans also include the reporter's own acceptances and loans to individuals for commercial, industrial and professional purposes but not for investment or personal expenditure purposes.

The most common errors in Line 4, are:

Common Reporting Error Commercial and Industrial Loans (Schedule C, Line 4)	
Common Error	Correct Reporting
Loans to corporations to lease equipment are reported on "Lease financing receivables", Line 9.	Loans to corporations to lease equipment should be reported in Line 4.
Loans to leasing companies are reported in Line 4.	Loans to nondepository financial institutions (including leasing companies) whose primary business is to extend credit for business purposes should be reported in "Loans to other financial institutions", Line 3.
Overnight Fed Funds sold to commercial and industrial customers are excluded from Schedule C.	Overnight Fed Funds sold to commercial and industrial customers should be reported on Schedule C, Line 4.
Loans to corporations located outside of the U.S. are reported in "U.S. addressees", Line 4.a.	Loans to corporations located outside the U.S. should be reported in "To non-U.S. addressees", Line 4.b.
Loans to corporations secured by real estate are reported in Line 4.	All loans secured by real estate should be reported in "Loans secured by real estate", Line 1.

Loans to foreign governments and official institutions

6. Loans to foreign governments and official institutions (including foreign central banks)									6.
	2081				2081				

Foreign government and official institutions are central, state, provincial, and local governments in foreign countries and their ministries, departments and agencies.

The most common errors in Line 6 are:

Common Reporting Errors	
“Loans to Foreign Governments and Official Institutions” (Schedule C, Line 6)	
Common Error	Correct Reporting
Loans to foreign government-owned corporations located outside the U.S. are reported in Line 6.	Loans to foreign government-owned nonbanking corporations located outside the U.S. should be reported in Line 3, 4 or 8 as appropriate.
Brady bonds classified as available-for-sale and held in the loan portfolio are reported at cost.	Brady bonds held in the loan portfolio classified as available-for-sale should be reported at fair value in Line 6.

Loans for purchasing or carrying securities

7. Loans for purchasing or carrying securities (secured and unsecured)	1545				1545				7.
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“Loans for purchasing or carrying securities”, Line 7 includes all loans to brokers and dealers in securities (other than those secured by real estate) regardless of purpose. Loans to depository institutions for the purpose of purchasing or carrying securities are excluded from Line 7 and reported in Line 2.

The most common error in Line 7 is:

Common Reporting Errors	
“Loans for purchasing or carrying securities” (Schedule C, Line 7)	
Common Error	Correct Reporting
Loans issued to investment companies for purchasing securities are reported in “Commercial and industrial loans”, Line 4.	Loans issued to investment companies for purchasing securities should be reported in Line 7.

All other loans

8. All other loans (include state and local obligations other than securities and loans to individuals)	1885				1885				8.
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“All other loans”, Line 8, includes:

- Loans to nonprofit organizations
- Loans to individuals
- Loans to state and political subdivisions, including loans secured by real estate
- Federally-sponsored lending agencies
- Unplanned overdrafts to deposit accounts (except overdrafts which are reported in Lines 2 and 6 above).

Less: Any unearned income on loans reflected in items 1-8 above

10. Less: Any unearned income on loans reflected in items 1-8 above	2123				2123				10.
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“Unearned income”, Line 10 includes income received by the branch or agency but not yet earned, such as prepaid interest or fees. The preferred treatment is to report the specific loan categories net of unearned income. Unearned income that cannot be applied to a specific loan should be reported in Line 10. Line 10 should not be reported as a negative number.

The most common errors in Line 10 are:

Common Reporting Errors “Unearned Income from Loans” (Schedule C, Line 10)	
Common Error	Correct Reporting
Unearned income from loans are reported in “Other liabilities”, Line 4.e.	Unearned income from loans should be deducted, to the extent possible, from the specific loan category on Schedule C, Loans. If unearned income cannot be deducted from the individual loan category, it should be reported on Schedule C, Line 10.
The amortized portion of loan origination fees are reported in Line 10.	The amortized portion of loan origination fees should be reported as income as part of the net unremitted profit on Schedule M, Part I, “Head office of the parent bank”, Line 2.a, Column B.
Origination fees received by the branch or agency for letters of credit are reported in Line 10.	Unearned income (including origination fees) on letters of credit should be reported on Schedule RAL, “Other liabilities”, Line 4.f.
Unearned income for a loan that was prepaid is reported in Line 10.	Once a loan is prepaid any unearned income associated with the loan should be reported as income as part of the branch or agency’s unremitted profit on Schedule M, Part I, “Head office of the parent bank”, Line 2.a, Column B.

Memoranda Section

Memoranda	RCFD	M.2.
1. Not applicable.		
2. Holdings of own acceptances included in Schedule C, part I, item 4	3341	
3. Commercial and industrial loans with remaining maturity of one year or less (excluding those in nonaccrual status):		
a. With predetermined interest rates	6119	M.3.a.
b. With floating interest rates	6120	M.3.b.
4. Commercial and industrial loans with remaining maturity of more than one year (excluding those in nonaccrual status):		
a. With predetermined interest rates	6122	M.4.a.
b. With floating interest rates	6123	M.4.b.

The most common error in the Memoranda section is:

Common Reporting Errors “Schedule C, Memoranda”	
Common Error	Correct Reporting
Loans that are in nonaccrual status are reported on the Memoranda.	Loans in nonaccrual status must be excluded from the Memoranda.

Schedule E -- Deposit Liabilities and Credit Balances

Schedule E categorizes deposits by types of account. Transaction accounts are reported in Column A and B, nontransaction accounts are reported in Column C, and IBF deposit liabilities are reported in Column D. Additional detail on specific deposits are reported on selected memoranda items. Total transaction accounts reported in Column A include demand deposits, NOW accounts, ATS accounts and similar deposits. The total demand deposits reported in Column A are also reported in Line 7, Column B. Therefore, Column B cannot be greater than Column A.

The most common errors throughout Schedule E are:

Common Reporting Errors “Deposits” (General Instructions to Schedule E)	
Common Error	Correct Reporting
Overdrafts are netted against deposit balances on Schedule E.	Overdrafts in deposit accounts are loans, therefore the amount of the overdraft should be raised to zero on Schedule E and the amount of the overdraft should be reported on Schedule C.
Deposits of related depository institutions are reported on Schedule E.	Deposits of related depository institutions should be reported on Schedule M, according to counterparty.
Unposted credits (suspense accounts) are reported in “Other liabilities”, Line 4.f.	Credits posted to the proper accounts after the report date should be reported in the appropriate line on Schedule E.

Common Reporting Errors “Deposits” (General Instructions to Schedule E)	
Common Error	Correct Reporting
Cash collateral portion for letters of credit are either excluded from the FFIEC 002 or reported on Schedule P.	Cash received as collateral for letters of credit should be reported on Schedule E, according to counterparty.

Individual, partnerships, and corporations (include all certified and official checks)

1. Individuals, partnerships, and corporations (include all certified and official checks):															
a. U.S. addressees (domicile).....	C040					C041				C042					1.a.
b. Non-U.S. addressees (domicile).....	C043					C044				C045					1.b.

Deposits of individuals, partnerships, and corporations (IPCs), Line 1, include:

- Nondepository financial institutions
- U.S. Government agencies and instrumentalities (FHMA, GNMA)
- Brokers and dealers.

Exclude deposits of the U.S. government (e.g., TT&L accounts, U.S. postal accounts), which should be reported in Line 5.

The most common errors in Line 1 are:

Common Reporting Errors “Deposits of Individuals, Partnerships, and Corporations (IPC)” (Schedule E, Line 1)	
Common Error	Correct Reporting
Deposits held by a municipality in the U.S. are reported in Line 1.a.	Deposits held by a municipality in the U.S. should be reported in “All other deposits”, Line 5.
Deposits held by a foreign government (including local governments) are reported in Line 1.	Deposits held by a foreign government (including local governments) should be reported in “Foreign governments and official institutions”, Line 4.

Common Reporting Errors	
“Deposits of Individuals, Partnerships, and Corporations (IPC)” (Schedule E, Line 1)	
Common Error	Correct Reporting
Foreign government-owned nonbank commercial and industrial corporations are reported in Line 4.	Foreign government-owned nonbank commercial and industrial corporations should be reported in Line 1.
Deposits of individuals, partnerships, and corporations located outside the U.S. are reported in Line 1.a.	Deposits of individuals, partnerships, and corporations located outside the U.S. should be reported on “Deposits of individuals, partnerships, and corporations (include all certified and official checks): Non-U.S. addresses”, Line 1.b.

Depository Institutions

2. Commercial banks in the U.S. (including their IBFs):														
a. U.S. branches and agencies of other foreign banks.....	1643					2347			1668					2.a.
b. Other commercial banks in the U.S.	1645					2348			1669					2.b.

Depository institutions include:

- All other commercial banks
- U.S. branches and agencies of other foreign banks and their IBFs.

The most common error in Lines 2 and 3 is:

Common Reporting Errors	
“Deposits of U.S. and Foreign Banks” (Schedule E, Lines 2 & 3)	
Common Error	Correct Reporting
Deposits of banks located outside the U.S. are reported in Line 2.b.	Deposits of banks located outside the U.S. should be reported in Line 3.b.

Foreign governments and official institutions

4. Foreign governments and official institutions (including foreign central banks)..													4.
	1649				2377				2650				

Deposits of foreign governments and official institutions, Line 4 includes the following:

- International organizations
- Regional organizations
- Treaty organizations.

Deposits from foreign governments and official institutions exclude U.S. branches and agencies of foreign official banking institutions (report in Line 2.a).

The most common errors in Line 4 are:

Common Reporting Errors	
“Deposits of Foreign Governments & Official Institutions” (Schedule E, Line 4)	
Common Error	Correct Reporting
Foreign government-owned nonbank commercial and industrial corporations are reported in Line 4.	Foreign government-owned nonbank commercial and industrial corporations should be reported in Line 1.
Deposits held by a foreign government (including local governments) are reported in Line 1.	Deposits held by a foreign government (including local governments) should be reported in Line 4.

Time deposits of \$100,000 or more

Memoranda	Dollar Amounts in Thousands	Reporting in thousands				
		RCON	Bil	Mil	Thou	
1. Components of total nontransaction accounts (included in item 7, Column C):						
a. Time deposits of \$100,000 or more.....		2604				M.1.a.
b. Not applicable.						
c. Time certificates of deposit of \$100,000 or more with remaining maturity of more than 12 months		6643				M.1.c.

This item cannot contain a value less than \$100,000.

The most common error in Line M.1.a is:

Common Reporting Error (Schedule E, Memoranda)	
Common Error	Correct Reporting
CDs are aggregated by depositor and reported on "Time Deposits of \$100,000 or More", Line M.1.a.	In determining if a CD has a balance of \$100,000 or more, CDs that are represented by separate certificates should not be combined even if they are held by the same depositor.

Schedule K -- Quarterly Averages

ASSETS					
1. Interest-bearing balances due from depository institutions (corresponds to part of Schedule RAL, item 1.a, Column A)	3381				1.
2. Federal funds sold and securities purchased under agreements to resell (corresponds to Schedule RAL, item 1.d, Column A)	3365				2.
3. Total loans, net of unearned income (corresponds to Schedule RAL, item 1.e, Column A)	3360				3.
4. Loans to and acceptances of banks in foreign countries (corresponds to Schedule C, item 2.c, Column A)	3105				4.
5. Total claims on nonrelated parties (corresponds to Schedule RAL, item 1.i, Column A)	3106				5.
LIABILITIES					
6. Time certificates of deposit of \$100,000 or more (corresponds to part of Schedule E, Memorandum item 1.a)	3345				6.
7. Interest-bearing deposits and credit balances (corresponds to part of Schedule RAL, item 4.a, Column A)	3107				7.
8. Federal funds purchased and securities sold under agreements to repurchase (corresponds to Schedule RAL, item 4.b, Column A)	3353				8.
9. Other borrowed money (corresponds to Schedule RAL, item 4.c, Column A)	3355				9.

The method for determining these averages is either:

- The average of the balances as of the close of business for each day of the calendar quarter, or
- The average of the balances as of the close of business on each Wednesday during the quarter.

The method that is selected must be used consistently throughout Schedule K. For those days when the branch or agency is closed, the amount outstanding at the close of the previous day must be used.

The quarterly averages listed in Table 1 should be compared to their outstanding balances on the FFIEC 002.

Since this schedule consists of quarterly averages, it would be unusual for an amount reported on this schedule to equal its outstanding balance.

Table 1 (Comparison)

Quarterly Average-- Schedule K		Outstanding Balances-- Corresponding Schedule		
<i>Compare to:</i>				
Line	Description	Sch	Line(s)	Description
1	Interest-bearing balances due from depository institutions	RAL	1, Col A	Cash and balances due from depository institutions
2	Federal funds sold and securities purchased under agreements to resell	RAL	1.d.1 1.d.2 Col A	Federal funds sold and securities purchased under agreements to resell
3	Total loans, net or unearned income	RAL	1.e, Col A	Loans and leases, net of unearned income
4	Loans to banks in foreign countries	C	2.c.1 2.c.2 Col A	Loans to banks in foreign countries
5	Total claims on nonrelated parties	RAL	1.i, Col A	Total claims on nonrelated parties
6	Time certificates of deposit of \$100,000 or more	E	Memo 1.a	Time deposits of \$100,000 or more
7	Interest-bearing deposits and credit balances	RAL	4.a, Col A	Total deposits and credit balances
8	Federal funds purchased and securities sold under agreements to repurchase	RAL	4.b.1 4.b.2 Col A	Federal funds purchased and securities sold under agreements to repurchase
9	Other borrowed money	RAL	4.c, Col A	Other borrowed money

The most common errors on "Quarterly Averages" are:

Common Reporting Errors "Quarterly Averages" (General Instructions to Schedule K)	
Common Error	Correct Reporting
Year-to-date average balances are used to calculate average balances.	Each item on Schedule K should be calculated by taking the average of the balances as of the close of business for each day of the calendar quarter, or an average of the balances as of the close of business on each Wednesday during the calendar quarter.
Transactions with related depository institutions are included in the calculation of the quarterly averages.	Schedule K excludes all transactions with related depository institutions.
The quarterly average for total claims in Line 5 is calculated as the total of Lines 1 through 4.	Line 5 should reflect the quarterly average of total claims included on Schedule RAL, "Total claims on nonrelated parties", Line 1.i.

Schedule L - Off-Balance-Sheet Items

Schedule L includes commitments, contingencies, derivative contracts and other off-balance sheet items with nonrelated parties or related nondepository institutions.

The most common error on Schedule L is:

Common Reporting Errors "Schedule L" (General Instructions to Schedule L)	
Common Error	Correct Reporting
Off-balance sheet transactions with related depository institutions are included on Schedule L.	Off-balance sheet transactions with related depository institutions are reported on Schedule M, Part V.

Commitments to make or purchase loans

1. Commitments to make or purchase loans	3423				1.
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The most common errors in Line 1 are:

Common Reporting Errors “Commitments to Make or Purchase Loans” (Schedule L, Line 1) “Schedule L”	
Common Error	Correct Reporting
The used portions of letters of credit are reported on Line 1.	Only the unused portion of letters of credit should be reported on Line 1. The used portion of letters of credit should be reported on Schedule C, according to counterparty.
Cancelled lines of credit and non-legally binding loan commitments are reported in Line 1.	Only legally binding commitments should be included in Line 1. Cancelled lines of credit and loan commitments should be excluded from the FFIEC 002.
Portions of loan commitments participated out to third parties are excluded from Line 1.	Portions of loan commitments participated out to third parties should be included in Line 1.

Spot foreign exchange contracts

2. Spot foreign exchange contracts	8765				2.
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The most common errors in Line 2 are:

Common Reporting Errors “Spot Foreign Exchange Contracts” (Schedule L, Line 2)	
Common Error	Correct Reporting
Cross-currency spot foreign exchange contracts are reported as cross-currency forward foreign exchange contracts in “Gross amounts Forward contracts”, Line 9.b.	Cross-currency spot foreign exchange contracts should be reported in Line 2.

Common Reporting Errors “Spot Foreign Exchange Contracts” (Schedule L, Line 2)	
Common Error	Correct Reporting
Cross-currency forward foreign exchange contracts are reported in Line 2.	Forward contracts should be reported in Line 9.b according to the original terms of the contract and excluded from Line 2 even when the time left to settlement is two days or less.

Standby Letters of Credit

3. Standby letters of credit:					
a. Total.....	3375				3.a.
(1). To U.S. addressees (domicile).....	3376				3.a.(1)
(2). To non-U.S. addressees (domicile).....	3377				3.a.(2)
b. Amount of total standby letters of credit in item 3.a conveyed to others through participations	3378				3.b.

The most common errors in Line 3 are:

Common Reporting Errors “Standby Letters of Credit” (Schedule L, Line 3)	
Common Error	Correct Reporting
Standby letters of credit to U.S. addressees are reported in Line 3.a(2).	Standby letters of credit to U.S. addressees should be reported in Line 3.a(1).
Standby letters of credit to non-U.S. addressees are reported in Line 3.a(1).	Standby letters of credit to non-U.S. addressees should be reported in Line 3.a(2).
Standby letters of credit are reported in “Commercial and similar letters of credit”, Line 4.	Standby letters of credit should be reported in Line 3.
Standby letters of credit collateralized by cash are excluded from Line 3.	All standby letters of credit (including those collateralized by cash) should be reported in Line 3.

Commercial and similar letters of credit

4. Commercial and similar letters of credit.....	3411				4.
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The most common errors in Line 4 are:

Common Reporting Errors	
“Commercial and Similar Letters of Credit” (Schedule L, Line 4)	
Common Error	Correct Reporting
The used portion of letters of credit are reported in Line 4 and in Schedule C, Loans.	Once funds are advanced under a letter of credit, the loan should be reported on Schedule C and only the <u>unused</u> portion of the letter of credit should be reported in Line 4.
Commercial letters of credit sold for cash are reported in Line 4.	Commercial letters of credit sold for cash should be excluded from the FFIEC 002.
Commercial letters of credit collateralized by cash are reported in Line 4.	Commercial letters of credit that are collateralized by cash should be excluded from Schedule L and reported as a deposit on Schedule E. Only the non-collateralized portion of a partially collateralized commercial letter of credit should be reported in Line 4.
Legally binding commitments to issue commercial letters of credit, including the portions participated out to third parties, are excluded from Line 4.	All legally binding commitments to issue commercial letters of credit should be reported in Line 4, including those amounts which are participated out to third parties.

Participations in acceptances conveyed to others by the reporting branch or agency

5. Participations in acceptances conveyed to others by the reporting branch or agency (as described in the instructions)	3428				5.
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The most common error in Lines 5 and 6 is:

Common Reporting Errors “Participation in Acceptances” (Schedule L, Line 5 & 6)	
Common Error	Correct Reporting
Bankers acceptances issued by a branch or agency are reported in Line 5.	Bankers’ acceptances issued by a branch or agency should be reported on Schedule RAL, Line 1.g and 4.d.

All other off-balance-sheet contingent liabilities greater than or equal to ½ percent of total claims on nonrelated parties as reported on Schedule RAL, Item 1.I.

7. All other off-balance-sheet contingent liabilities greater than or equal to 1/2 percent of total claims on nonrelated parties as reported on Schedule RAL, item 1.i					5602				7.
List below each component of this item greater than or equal to 1 percent of total claims on nonrelated parties as reported on Schedule RAL, item 1.i:					RCFD	Bil	Mil	Thou	
a.	TEXT 5598				5598				7.a.
b.	TEXT 5600				5600				7.b.
c.	TEXT 5601				5601				7.c.

The most common errors in Line 7 are:

Common Reporting Errors “Other Off-Balance Sheet Contingent Liabilities” (Schedule L, Line 7)	
Common Error	Correct Reporting
Securities borrowed where there is no collateral or collateralized by other securities are excluded from Line 7.	Securities borrowed where there is no collateral or collateralized by other securities should be reported in Line 7.
Commitments to purchase or sell when-issued securities that are excluded from the scope of FAS 133 are reported in “Forward contracts”, Line 9.	Commitments to purchase or sell when-issued securities that are excluded from the scope of FAS 133 should be reported in “All other off-balance sheet contingent liabilities” Line 7, if a purchase or in “All other off-balance sheet contingent assets”, Line 8 if a sale.

Common Reporting Errors “Other Off-Balance Sheet Contingent Liabilities” (Schedule L, Line 7)	
Common Error	Correct Reporting
Commitments to purchase or sell when-issued securities that are included in the scope of FAS 133 are reported in Line 7.	Commitments to purchase or sell when-issued securities that are included in the scope of FAS 133 should be reported in “Forward contracts”, Line 9.b.
Commitments to place funds are reported in Line 1.	Commitments to place funds should be reported in Line 7.

All other off-balance-sheet contingent claims (assets) greater than or equal to ½ percent of total claims on nonrelated parties as reported on Schedule RAL, item 1.I

8. All other off-balance-sheet contingent claims (assets) greater than or equal to 1/2 percent of total claims on nonrelated parties as reported on Schedule RAL, item 1.i					5603				8.
List below each component of this item greater than or equal to 1 percent of total claims on nonrelated parties as reported on Schedule RAL, item 1.i:					RCFD	Bil	Mil	Thou	
a.	TEXT 5604				5604				8.a.
b.	TEXT 5605				5605				8.b.
c.	TEXT 5606				5606				8.c.

The most common errors in Line 8 are:

Common Reporting Errors “Other Off-Balance Sheet Contingent Claims” (Schedule L, Line 8)	
Common Error	Correct Reporting
Securities lent where there is no collateral or collateralized by other securities are excluded from Schedule L, Line 8.	Securities lent where there is no collateral or collateralized by other securities should be reported in Line 8.
Commitments to purchase or sell when-issued securities that are included in the scope of FAS 133 are reported in “All other off-balance sheet contingent liabilities”, Line 7.	Commitments to purchase or sell when-issued securities that are included in the scope of FAS 133 should be reported in “Forward contracts”, Line 9.b.

Common Reporting Errors	
“Other Off-Balance Sheet Contingent Claims” (Schedule L, Line 8)	
Common Error	Correct Reporting
Commitments to purchase or sell when-issued securities are excluded from the scope of FAS 133 are reported in “Forward contracts”, Line 9.	Commitments to purchase or sell when-issued securities that are excluded from the scope of FAS 133 should be reported in “All other off-balance sheet contingent liabilities”, Line 7, if a purchase or in “All other off-balance sheet contingent assets”, Line 8 if a sale.

Derivative Contracts

Contracts that meet the definition of a derivative must be accounted for in accordance with FASB Statement No. 133. The notional amount is the par value of the contract and must be reported gross in accordance to the predominant risk and purpose.

9. Gross amounts (e.g., notional amounts):																				
a. Futures contracts	8693				8694					8695					8696					9.a.
b. Forward contracts	8697				8698					8699					8700					9.b.
c. Exchange-traded option contracts:																				
(1) Written options	8701				8702					8703					8704					9.c.(1)
(2) Purchased options	8705				8706					8707					8708					9.c.(2)
d. Over-the-counter option contracts:																				
(1) Written options	8709				8710					8711					8712					9.d.(1)
(2) Purchased options	8713				8714					8715					8716					9.d.(2)
e. Swaps	3450				3826					8719					8720					9.e.

The most common errors in Line 9 are:

Common Reporting Errors	
“Gross Amounts of Off-Balance Sheet Items” (Schedule L, Line 9)	
Common Error	Correct Reporting
The notional amount of an exchange-traded purchased equity option contract is reported in “Over-the-counter option contracts: Purchased options”, Line 9.d(2), Column C.	The notional amount of an exchange-traded purchased equity option contract should be reported in “Exchange-traded option contracts: Purchased options”, Line 9.c(2), Column C.

Common Reporting Errors	
“Gross Amounts of Off-Balance Sheet Items” (Schedule L, Line 9)	
Common Error	Correct Reporting
Over-the-counter written swaptions are excluded from the FFIEC 002.	Over-the-counter written swaptions should be reported as options in Line 9.d(1) according to predominant risk characteristics of the contract.
The notional amount of foreign exchange purchased options are reported in “Written options: Foreign exchange contracts”, Line 9.d(1), Column B.	The notional amount of an exchange-traded purchased equity option contract should be reported in “Purchased options: Foreign exchange contracts”, Line 9.d(2), Column B.
Cross-currency interest rate swaps are reported in Line 9.e, Column A.	Contracts involving the exchange of one or more foreign currencies (e.g., cross-currency swaps) should be reported in Line 9.e, Column B.
The notional amount of interest rate swaps where there is no exchange of principal is included in Line 9.e, Column B.	The notional amount of interest rate swaps where there is no exchange of principal should be included in Line 9.e, Column A.
The purchase and sale sides of cross-currency swaps are included in Line 9.e, Column B.	Only the purchase side of the transaction should be reported of cross-currency contracts that involve the purchase and sale of two non-U.S. currencies. In contracts where non-U.S. currencies are bought or sold against U.S. dollars, only the side of the transaction that involves the non-U.S. currency should be reported.

Total gross notional amount of derivative contracts held for trading

10. Total gross notional amount of derivative contracts held for trading ..																	10.
	A126				A127				8723				8724				

The total gross notional amount of derivative contracts held for trading purposes are reported in Line 10.

Total gross notional amount of derivative contracts held for purposes other than trading

11. Total gross notional amount of derivative contracts held for purposes other than trading																	11.
	8725				8726				8727				8728				

The most common error in Line 11 is:

Common Reporting Errors “Total Gross Notional Amount of Derivative Contracts Held for Purposes Other Than Trading” (Schedule L, Line 11)	
Common Error	Correct Reporting
The notional amount of derivative contracts not meeting FAS 133 hedge criteria are reported in Line 11.	The notional amount of derivative contracts that do not meet FAS 133 hedge criteria should be reported in “Total gross notional amount of derivative contracts held for trading”, Line 10.

Derivative Contracts (Fair value)

As defined in FASB Statement No. 133, the fair value of a derivative contract is the amount at which an asset (liability) could be bought (incurred) or sold (settled) in a current transaction between willing parties (other than in a forced or liquidation sale). The best indication of fair value for liquid instruments is market quotes. For illiquid instruments, the fair value may need to be estimated using valuation models that take into account various characteristics of these instruments.

The following items should be completed by those branches or agencies with total assets of \$100 million or more.

12. Gross fair values of derivative contracts:																			
a. Contracts held for trading:																			
(1) Gross positive fair value	8733				8734				8735				8736						12.a.(1)
(2) Gross negative fair value	8737				8738				8739				8740						12.a.(2)
b. Contracts held for purposes other than trading:																			
(1) Gross positive fair value	8741				8742				8743				8744						12.b.(1)
(2) Gross negative fair value	8745				8746				8747				8748						12.b.(2)

The most common errors in Line 12 are:

Common Reporting Errors	
“Gross Fair Values of Derivative Contracts” (Schedule L, Line 12)	
Common Error	Correct Reporting
The fair value of derivative contracts is reported net in Line 12.	The fair value of derivative contracts should be reported gross in Line 12.
The fair value of derivative contracts is excluded from Line 12.	The fair value reported in Line 12 should be determined as of the close of business of the reporting date.

Schedule M - Due from/Due to Related Institutions in the U.S. and in Foreign Countries

Schedule M is divided into five parts.

All transactions involving related depository institutions should only be reported on Schedule M in Parts I and/or II, and V (with Part I covering the branch or agency including its IBF and Part II covering the IBF only).

Part III includes transactions of the reporting branch or agency with related nondepository majority-owned subsidiaries.

Part IV includes the amount of general allowance for loan losses carried on the books of the reporting branch or agency and the amount of other real estate owned.

Parts I, II, and III require the reporting of the due from/due to relationships on a gross basis (i.e., without netting due from and due to transactions against each other). Amounts reported are classified by location and type of related institution, not by type of claim or liability.

All off-balance sheet transactions involving related depository institutions should only be reported on Schedule M, Part V.

Schedule M is the only schedule where Puerto Rico and other U.S. territories and possessions are considered non-U.S. domiciled.

The most common errors concerning related and nonrelated institutions on Parts I, II, and V are as follows:

Common Reporting Errors	
“Balances With Related Institutions” (General Instructions to Schedule M)	
<i>Common Error</i>	<i>Correct Reporting</i>
Balances with a related bank holding company are reported on Schedule M, Part I.	Balances with related nondepository institutions (including bank holding companies) should be excluded from Schedule M, Part I, and reported in the appropriate Schedule.
Off-balance sheet and derivative contracts with related depository transaction institutions are reported on Schedule L.	Off-balance sheet and derivative contracts with related depository institutions should be reported on Schedule M, Part V.

Common Reporting Errors

“Balances With Related Institutions” (General Instructions to Schedule M)

Common Error

Correct Reporting

Balances with nonrelated depository institutions and related nondepository institutions are reported on Schedule M.

Balances with nonrelated depository institutions and related nondepository institutions should be excluded from Schedule M, Part I, II, and V and reported in the appropriate schedule.

M, Part I - Transactions of Reporting Institution Including IBF with Related Depository Institutions

PART I: Transactions of reporting institution including its IBF with related depository institutions, reflected in net due from/due to items (items 2.a and 5.a; Column A) in Schedule RAL.								
Amounts outstanding as of report date:								
1. U.S. domiciled offices of related depository institutions (including their IBFs):								
a. Related branches and agencies in the U.S.:								
(1) In same state as the reporting office.....		3008				3007		
(2) In other states.....		3010				3009		
b. Offices in the U.S. of other related depository institutions (including Edge and Agreement corporations and New York investment companies).....								
		3171				3172		
2. Non-U.S. domiciled offices of related depository institutions:								
a. Head office of parent bank.....		3173				3174		
b. Non-U.S. branches and agencies of the parent bank:								
(1) Offices in the Caribbean.....		3175				3176		
(2) Other offices.....		3177				3178		
c. Other non-U.S. offices of related depository institutions.....		3179				3180		
3. Total (sum of items 1.a, 1.b, and 2.a through 2.c).....		3002				3001		
4. Net due from head office and other related depository institutions (item 3, Column A minus Column B—enter the amount with a minus sign (–) if Column B is greater than Column A. The absolute value of item 4 must equal Schedule RAL, item 2.a if in item 3 above Column A is greater than Column B, or Schedule RAL, item 5.a if in item 3 above Column B is greater than Column A).....		3035						
Memoranda								
1. Average daily (or weekly) amounts for the quarter ending with the report date:								
a. Related depository offices domiciled in the U.S. (corresponds to items 1.a and 1.b of Part I above).....		3026				3025		
b. Related depository offices domiciled outside of the U.S. (corresponds to items 2.a through 2.c of Part I above).....		3028				3027		
2. Sum of those parts of items 1.b and 2.c of Part I above that are with wholly-owned depository subsidiaries of the parent bank.....		3181				3182		
3. Trading assets and liabilities, related parties (amount is included in item 3 above, and in Schedule RAL, items 2.a and 5.a, respectively).....		A006				A007		

Part I covers transactions of the reporting branch or agency including its IBF with related depository institutions.

Unremitted profits and losses are commonly misreported.

The most common errors on the reporting of unremitted profits on Line 2.a are:

Common Reporting Errors “Unremitted Profits” (Schedule M, Part I, Line 2.a)	
Common Error	Correct Reporting
Remitted profits are included in Line 2.a, Column B.	Remitted profits are excluded from the FFIEC 002.
Unrealized gains and losses from marking-to-market of financial instruments are excluded from the calculation of unremitted profits and losses and are reported gross in Line 2.a, Columns A and B.	Net unrealized gains and losses from marking-to-market of financial instruments should be included in the calculation of net unremitted profits and losses.
Net unremitted profit is reported as a loss in Line 2.a, Column A.	Net unremitted profit should be reported in Line 2.a, Column B, as an adjustment to the capital contribution.
Unremitted losses from the prior year are excluded from Line 2.a.	All unremitted profits and losses (including prior periods) should be netted and reported in Line 2.a.

Other common errors on Schedule M, Part I are:

Common Reporting Errors “Schedule M, Part I”	
Common Error	Correct Reporting
Inter-branch accounts of the reporting institution are reported on Schedule M, Part I.	All inter-branch accounts should be excluded from the FFIEC 002. (Inter-branch accounts include transactions between departments or other entities that are consolidated on the FFIEC 002.)

Common Reporting Errors “Schedule M, Part I”	
<i>Common Error</i>	<i>Correct Reporting</i>
Balances with the Cayman Islands branch are reported in “Other offices”, Line 2.b(2).	Balances with the Cayman Islands branch should be reported in “Offices in the Caribbean”, Line 2.b(1).
Balances with non-U.S. offices of related depository institutions are reported on Schedule M, Part I, “Non-U.S. branches and agencies of the parent bank: Other offices”, Line 2.b(2).	Balances with non-U.S. offices of related depository institutions should be reported in “Other non-U.S. offices of related depository institutions”, Line 2.c.
Balances due from and due to the reporting branch or agency’s head office are reported <u>net</u> in Line 2.	Balances due from or due to the head office of the branch or agency’s parent bank should be reported <u>gross</u> in Line 2, Columns A and B.
Provision for loan losses are included in Schedule RAL, “Other liabilities”, Line 4.f.	Provision for loan losses should be included in the calculation of net unremitted profit that are reported in Line 2.a.

The most common error in the Memorandum section is:

Common Reporting Errors “Schedule M, Memoranda”	
<i>Common Error</i>	<i>Correct Reporting</i>
Unremitted gains and losses from trading contracts with related depository institutions are excluded from Memoranda 3.	Unremitted gains and losses from trading contracts with related depository institutions should be reported gross in Memoranda 3.

M, Part II - Transactions of Reporting Institution's IBF with Related Depository Institutions

PART II: Transactions of reporting institution's IBF with related depository institutions.								
Amounts outstanding as of report date:								
1. IBF transactions with related depository institutions <i>other than transactions with establishing entity</i> :								
a. IBF transactions with IBFs of related depository institutions domiciled in the U.S. (included in Part I, item 1)		3004				3003		
b. IBF transactions with related depository institutions domiciled outside the U.S. (included in Part I, item 2):								
(1) Head office of parent bank.....		3173				3174		
(2) Non-U.S. branches and agencies of the parent bank:								
(a) Offices in the Caribbean.....		3175				3176		
(b) Other offices.....		3177				3178		
(3) Other related depository institutions domiciled outside the U.S.		3179				3180		
c. Total (sum of items 1.a and 1.b.(1) through 1.b.(3) above)		3002				3001		
d. IBF net due from related depository institutions other than establishing entity (item 1.c, Column A minus Column B—enter the amount with a minus sign (-) if Column B is greater than Column A.....		3193						
2. IBF net due from establishing entity (if net due to, enter the amount with a minus sign (-)).....		1888						
3. IBF net due from all related depository institutions (sum of items 1.d and 2 above; if negative, enter the amount with a minus sign (-)). (If this item is positive, it must equal Schedule RAL, item 2.b; if this item is negative, its absolute value must equal Schedule RAL, item 5.b.)		3194						

Part II reflects the gross positions of only the reporting institution's IBF with related depository institutions. The net position between the IBF and the establishing entity is reported only in Line 2. (This amount is excluded from Part I). Lines 1.d, 2 and 3 can be either positive or negative; if negative, a minus sign must be entered preceding the amount. A negative sign represents:

- IBF net due to related depository institutions other than establishing entity (Line 1.d)
- IBF net due to establishing entity (Line 2)
- IBF net due to all related depository institutions (Line 3).

The IBF's net profit/loss, if maintained as a separate account,

should be reported in Line 1.b(1). In addition, this should also be consolidated with the branch or agency's profit/loss and reported in Part I.

The most common errors on Schedule M, Part II are:

Common Reporting Errors “Schedule M, Transactions of reporting institution’s IBF with related depository institutions, Part II”	
Common Error	Correct Reporting
Balances between the establishing entity and its IBF are reported on Part I, Line 1.a(1).	Balances between the establishing entity and its IBF should be excluded from Part I and reported only in Part II, “IBF net due from establishing entity”, Line 2.
The net loss of the IBF is excluded from Part I, Line 2.a, Column A.	The net profit or loss of your institution’s IBF, if maintained as a separate account on the IBF’s books, should be combined with the branch or agency’s net profit or loss.

M, Part III - Transactions of Reporting Institution Including Its IBF with Related Nondepository Institutions

PART III: Transactions of reporting institution including its IBF with related nondepository subsidiaries. These are not reflected in the net due from/due to items (items 2.a and 5.a) in Schedule RAL.					
Amounts outstanding as of report date with:					
1. Related nondepository majority-owned subsidiaries in the U.S.....	3030			3029	1.
2. Related nondepository majority-owned subsidiaries in foreign countries.....	3032			3031	2.
Memorandum					
1. Amount of items 1 and 2 above for wholly-owned related nondepository subsidiaries.....	3034			3033	M.1.

Part III covers the gross balances due from and due to majority-owned related nondepository institutions (this includes wholly-owned nondepository institutions). The amounts included in this part are also reported in other schedules of the FFIEC 002, as transactions with related nondepository institutions are treated similar to third party transactions.

The most common error on Part III is:

Common Reporting Errors “Schedule M, Transactions of Reporting Institution Including Its IBF with Related Nondepository Institutions, Part III”	
Common Error	Correct Reporting
Balances (e.g., deposits, loans) with related majority-owned nondepository subsidiaries are excluded from Schedule M, Part III.	Balances with majority-owned nondepository subsidiaries should be reported on Schedule M, Part III and on Schedule RAL and related Schedules.

M, Part IV - Confidential Loan Information

PART IV: Confidential Loan Information.					
1. Amount of allowance for loan losses, if any, carried on the books of the reporting branch or agency including its IBF	3195				1.
2. Other real estate owned.....	2150				2.

The branch or agency should report the allowance for loan losses (i.e., general reserves) carried on its books and its IBF in Line 1. Specific reserves should be excluded from this line.³ Exclude reserves on assets other than loans, loan commitments and letters of credit. The amount of other real estate owned should be reported in Line 2.

The most common errors on Part IV are:

Common Reporting Errors “Schedule M, Confidential Loan Information, Part IV”	
Common Error	Correct Reporting
Specific reserves for identified loan losses are reported in Part IV, Line 1.	Specific reserves should be deducted from the individual loans and only general reserves should be included in Part IV, Line 1.
Accumulated depreciation is not deducted from other real estate owned in Part IV, Line 2.	Other real estate owned should be reported net of accumulated depreciation.
Real estate acquired through foreclosures is excluded from Part IV, Line 2.	All real estate owned by the branch or agency (other than its own premises) should be reported in Part IV, Line 2.

³ SR 95-42 letter issued on August 2, 1995 provides regulatory reporting treatment on allowance for loan losses.

M, Part V - Off-balance-sheet items: with related depository institutions

PART V: Derivatives and off-balance-sheet items: with related depository institutions.												
1. Commitments to make or purchase loans	5766									1.		
2. Spot foreign exchange contracts	A125									2.		
3. Total standby letters of credit	5770									3.		
4. Commercial and similar letters of credit.....	5771									4.		
5. Participations in acceptances conveyed to related depository institutions by the reporting branch or agency (as described in the instructions)	5772									5.		
6. Not applicable.												
7. All other off-balance-sheet contingent liabilities greater than or equal to 1/2 percent of total claims on related depository institutions as reported in Schedule M, Part I, Item 3, Column A	8569									7.		
List below each component of this item greater than or equal to 1 percent of total claims on related depository institutions as reported on Schedule M, Part I, Item 3,												
Column A:	RCFD	Bil	Mil	Thou								
a. <table border="1"><tr><td>TEXT</td><td>8570</td></tr></table>	TEXT	8570	8570									7.a.
TEXT	8570											
b. <table border="1"><tr><td>TEXT</td><td>8571</td></tr></table>	TEXT	8571	8571									7.b.
TEXT	8571											
c. <table border="1"><tr><td>TEXT</td><td>8572</td></tr></table>	TEXT	8572	8572									7.c.
TEXT	8572											
8. All other off-balance-sheet contingent claims (assets) greater than or equal to 1/2 percent of total claims on related depository institutions as reported in Schedule M, Part I, Item 3, Column A	8573									8.		
List below each component of this item greater than or equal to 1 percent of total claims on related depository institutions as reported on Schedule M, Part I, Item 3,												
Column A:	RCFD	Bil	Mil	Thou								
a. <table border="1"><tr><td>TEXT</td><td>8574</td></tr></table>	TEXT	8574	8574									8.a.
TEXT	8574											
b. <table border="1"><tr><td>TEXT</td><td>8575</td></tr></table>	TEXT	8575	8575									8.b.
TEXT	8575											
c. <table border="1"><tr><td>TEXT</td><td>8576</td></tr></table>	TEXT	8576	8576									8.c.
TEXT	8576											

Dollar Amounts in Thousands	(Column A) Interest Rate Contracts				(Column B) Foreign Exchange Contracts ²				(Column C) Equity Derivative Contracts				(Column D) Commodity and Other Contracts			
	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou
9. Gross amounts (e.g., notional amounts):																
a. Futures contracts	A008				A009				A010				A037			
b. Forward contracts	A038				A039				A040				A041			
c. Exchange-traded option contracts:																
(1) Written options	A042				A043				A044				A045			
(2) Purchased options	A046				A047				A048				A049			
d. Over-the-counter option contracts:																
(1) Written options	A050				A051				A052				A053			
(2) Purchased options	A054				A055				A056				A057			
e. Swaps	A058				A059				A060				A061			
10. Total gross notional amount of derivative contracts held for trading ..	A062				A063				A064				A065			

The differences between Schedule L and Schedule M, Part V is:

- Schedule L includes off-balance sheet contracts with nonrelated institutions and related nondepository institutions
- Schedule M, Part V, includes off-balance sheet transactions with related depository institutions.

For the most common errors concerning off-balance sheet transactions, refer to the guidelines for Schedule L.

Schedule N - Past Due, Nonaccrual, and Restructured Loans

Schedule N—Past Due, Nonaccrual, and Restructured Loans																	
NOTE: Exclude all transactions with related depository institutions.																	
Total Reporting Branch or Agency Including Its IBF																	
(Column A) Past due 30 through 89 days and still accruing (Column B) Past due 90 days or more and still accruing (Column C) Nonaccrual (Column D) Restructured and in compliance with modified terms																	
Dollar Amounts in Thousands																	
	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou	RCFD	Bil	Mil	Thou	
1. Total loans to U.S. addressees (domicile):																	
a. Commercial and industrial loans	1606				1607				1608				1609				1.a
b. Loans secured by real estate	1421				1422				1423				1424				1.b
c. All other loans (including all lease financing receivables)	3183				3184				3185				3186				1.c
2. Total loans to non-U.S. addressees (domicile)	1623				1624				1625				1627				2.
3. Total (sum of items 1.a through 1.c and 2)	1406				1407				1403				1404				3.
Memoranda																	
1. Book value of loans sold or otherwise transferred to head office or to related institutions and still serviced by the reporting branch or agency	1628				1629				1582				1637				M.1.
2. Interest rate, foreign exchange rate, and other commodity and equity contracts: Fair value of amounts carried as assets	3529				3530				M.2.								

Loans and lease financing receivables and other assets should be reported as past due when either interest or principal is unpaid for 30 days or more. The branch or agency should report the full outstanding carrying value of loans in past due, nonaccrual and renegotiated status included on Schedule C, not simply the delinquent portion of the loan. All loans reflected on Schedule N should also be reported on Schedule C and on Schedule RAL.

- Column A includes loans that are 30 to 89 days past due and still accruing.
- Column B includes loans that are past due 90 days or more and still accruing.
- Column C includes nonaccrual loans that are past due 90 days or more and are not well secured, or not in the process of collection. A performing loan can be considered nonaccrual if the financial condition of the borrower has deteriorated, or payment in full of interest or principal is not expected.
- Column D includes restructured loans that are troubled debt that is restored to accrual status because either its principal or interest was reduced to enable the customer to repay the loan. Extending the maturity of a loan does not by itself constitute a restructured loan.

The most common errors on Schedule N are:

Common Reporting Errors “Past Due, Nonaccrual, and Restructured Loans” (Schedule N)	
Common Error	Correct Reporting
Specific reserves are excluded from Schedule N.	All loans reported on Schedule N should be reported net of specific reserves.
Loans that the principal has been repaid are reported on Schedule N.	Only loans in which principal is past due and unpaid should be reported on Schedule N.

Schedule P - Other Borrowed Money

Schedule P—Other Borrowed Money		(Column A) Total Reporting Branch or Agency Including Its IBF				(Column B) IBF ONLY			
		RCFD	Bil	Mil	Thou	RCFN	Bil	Mil	Thou
Dollar Amounts in Thousands									
1. Owed to nonrelated commercial banks in the U.S. (including their IBFs):									
a. Owed to U.S. offices of nonrelated U.S. banks	3312				3312				1.a.
b. Owed to U.S. branches and agencies of nonrelated foreign banks	3313				3313				1.b.
2. Owed to nonrelated banks in foreign countries:									
a. Owed to foreign branches of nonrelated U.S. banks	3314				3314				2.a.
b. Owed to foreign offices of nonrelated foreign banks	3315				3315				2.b.
3. Owed to others	2869				2869				3.
	RCXX				RCXY				
4. Total (sum of items 1 through 3) (must equal Schedule RAL, item 4.c)	3190				3190				4.
Memorandum									
1. Immediately available funds with a maturity greater than one day included in other borrowed money	RCFD								M.1.
	2805								

Schedule P includes:

- any borrowing of immediately available funds with a maturity of greater than one day
- term federal funds purchased
- total amount borrowed by the branch or agency on its promissory notes and discounted bills
- overdrawn account balances of the reporting branch or agency
- borrowings from a Federal Reserve Bank.

The most common errors on Schedule P are:

Common Reporting Errors “Other Borrowed Money” (Schedule P)	
<i>Common Error</i>	<i>Correct Reporting</i>
Federal funds purchased with maturity greater than one day (term federal funds) are excluded from Schedule P, Memorandum Line 1.	Borrowings (including term federal funds) that are immediately available funds with a maturity greater than one day should be included in the appropriate line on Schedule P, (Line 1, 2, or 3) and in Memorandum Line 1.
Deposits are reported on Schedule P.	Deposits should be reported on Schedule E.
Repurchase agreements collateralized by assets other than securities with maturity greater than one day are reported on Schedule RAL, “Securities sold under agreements to repurchase”, Line 4.b(2).	Repurchase agreements collateralized by assets other than securities with maturity greater than one day should be reported as borrowings on Schedule P, according to counterparty.
Overdrawn accounts held with other depository institutions (e.g., due from accounts) are netted against due from balances on Schedule A, Line 3 or 4.	Overdrawn due from balances are borrowings, therefore the amount of the overdraft should be raised to zero on Schedule A and the amount of the overdraft should be reported on Schedule P.