

Glossary

This section provides definitions for terms in sections 1 and 2. These definitions are used for purposes of the FR 2900. They may differ from definitions that appear in other rules, regulations, statutes, or reports.

Acknowledgment of advance

A notification by a depository institution of its liability for funds that have been received. Acknowledgments of advance may take the form of an electronic advice, written receipt, issuance of a credit memo or other documentation, or simply an oral communication confirming the receipt of funds under a borrowing-lending arrangement. Acknowledgments of advance are primary obligations of the issuing depository institution.

ATS (Automatic transfer service) account

A deposit or account authorized by the last sentence of 12 U.S.C. § 371a and consisting only of funds (1) in which the entire beneficial interest is held by one or more individuals, (2) on which the depository institution has reserved the right to require at least seven days' written notice prior to withdrawal or transfer of any funds in the account, and (3) from which, pursuant to prior written agreement between the institution and the depositor, withdrawals may be made automatically through payment to the depository institution itself or through transfer of credit to a demand deposit or other account in connection with checks or drafts drawn upon the institution or to maintain a specified balance in, or to make periodic transfers to, such other accounts.

An ATS account is a transaction account.

Bankers' acceptance

A draft or bill of exchange usually drawn under a letter of credit issued by the reporting institution to a customer and "accepted" by the reporting institution (that is, the reporting institution assumes an obligation to make payment at maturity). Generally, a bankers' acceptance is eligible for discount by a Federal Reserve Bank if it is used to finance the export or import of goods, the domestic shipment of goods, and the foreign or domestic storage of goods and if it has a remaining maturity of 180 days or less. Bankers' acceptances used to finance dollar exchange are also eligible for discount by a Federal Reserve Bank if the remaining maturity is three months or less. Bankers' acceptances issued for other purposes, such as finance bills and working capital acceptances, are ineligible for discount at Federal Reserve Banks. (See 12 U.S.C. § 372.)

Bankers' bank

A bankers' bank is an institution satisfying all of the following criteria:

1. The institution is organized solely to do business with other financial institutions. This requirement may be met even though the institution does a limited amount of business

with customers other than financial institutions. Those customers to whom the institution may lend, or from whom it may receive, deposits are specified in 12 CFR § 204.121.

2. The institution is owned primarily (75 percent or more) by the financial institutions with which it does business.
3. The institution does not do business with the general public except for customers specified in 12 CFR § 204.121. Loans to customers other than financial institutions may not exceed 10 percent of the institution's total assets, and the deposits that the institution receives from customers other than financial institutions may not exceed 10 percent of the institution's total liabilities.

Banking business

The business of accepting deposits, making loans, and providing related services. The banking business does not include the acceptance of trust funds.

Bank note

A debt security issued by a depository institution with the term "Bank Note" included on the instrument.

Bona fide cash management

A cash management plan can be regarded as bona fide when an institution and a depositor have agreed that the institution may use the balance in one account to offset the overdrafts in another account of the same type or a related depositor and where a bona fide cash management purpose is served. Although a written agreement is not required, there should be some indication of this purpose that can be referred to in order to demonstrate the bona fide nature of the arrangement. It should be recognized that, depending on the nature and extent of any cash management plan, sound banking practice may require that the institution's authority and responsibility be documented. A bona fide cash management function is not served when an institution nets a depositor's multiple accounts after an overdraft occurs in one of these accounts merely to reduce its reservable liabilities.

Branches and agencies of foreign (non-U.S.) banks

See U.S. branches and agencies of foreign (non-U.S.) banks.

Brokered deposits

Funds in the form of deposits that a depository institution receives from brokers or dealers on behalf of individual depositors. For details on reporting, see the memorandum section on item F.1, All Time Deposits with Balances of \$100,000 or More, or item BB.1, Total Nonpersonal Savings and Time Deposits.

Brokers security draft

A draft with securities or title to securities attached that is drawn to obtain payment for the securities. This draft is sent to a bank for collection with instructions to release the securities only on payment of the draft.

Cash collateral account

A liability account that is established typically in connection with the issuance of a commercial letter of credit by the reporting institution. A cash collateral account appears on the books of the reporting institution, through either a transfer of funds from a customer's deposit account or a deposit of cash, in an amount equal to all or some portion of the authorized amount of the letter of credit. As drafts are drawn under the letter of credit and presented to the reporting institution for payment, the amounts of the drafts are charged to the account. After the letter of credit expires, any balance remaining in the account is paid or credited to the customer.

Certificates of indebtedness

Unsecured promissory notes that represent borrowings by a depository institution.

Club accounts

Christmas club, vacation club, or similar savings deposits or time deposits for which there are written contracts providing that no withdrawals can be made until a certain number of periodic deposits have been made during a period of not less than three months, even though some of the deposits are made within six days from the end of the period.

Commodity or bill of lading draft

A draft that is issued in connection with the shipment of goods. If the commodity or bill of lading draft becomes payable only when the shipment of goods against which it is payable arrives, it is an arrival draft. Arrival drafts are usually forwarded by the shipper to the collecting depository institution with instructions to release the shipping documents (for example, a bill of lading) conveying title to the goods only upon payment of the draft. Payment, however, cannot be demanded until the goods have arrived at the drawee's destination. Arrival drafts provide a means of ensuring payment of shipped goods at the time that the goods are released.

Credit balance

A liability booked by the reporting institution as a credit balance or maintained by the reporting institution and owed to a third party that is incidental to, or that arises from, the exercise of banking powers. Also include any credit balance that results from customers' overpayments of account balances on credit cards and related plans.

Custodial inventory program

Pursuant to the Federal Reserve Currency Recirculation Policy, the Federal Reserve Banks have created a Custodial Inventory Program to help offset the opportunity costs associated with holding additional currency in reporting institutions' vaults to facilitate its recirculation. By participating in this program, the reporting institution will be allowed to transfer currency to the Federal Reserve Bank's books but will continue to physically hold the currency within its secured facility.

For more information about the policy, please visit www.frb services.org/operations/currency/custodial_inventory_program.html.

Dealer reserve or dealer differential account

An account that arises when a merchant or dealer (such as a home-improvement contractor, auto dealer, or mobile home dealer) enters into an arrangement with the reporting institution to furnish the dealer with financing of installment loans by selling the loans to the reporting institution at discount. The proceeds of the sale that the dealer receives from the institution represent only a portion (such as 90 percent) of the amount due on the installment loans. Typical accounting entries by the reporting institution are a debit to "loans" for the principal amount due on the loans purchased, a credit to the dealer's "demand deposit" account for 90 percent of the amount, and a credit to a "dealer reserve" or a "dealer differential" account for the remaining 10 percent. Because the dealer does not have access to the funds credited to the reporting institution's dealer reserve or differential account and may not make withdrawals from the account, no deposit liability arises until such time as the reporting institution becomes liable to the dealer for any portion of the funds.

Demand deposit

A deposit described in section 1, subsection G.1, or a primary obligation described in section 1, subsection G.3, that is payable immediately on demand, or that is issued with an original maturity or required notice period of less than seven days, or that represents funds for which the depository institution does not reserve the right to require at least seven days' written notice of an intended withdrawal.

A demand deposit is a transaction account.

Deposit notes

A debt security issued by a depository institution with the term "deposit" included on the note.

Depository institution

Any of the following institutions that are empowered to perform a banking business and that perform this business as a substantial part of their operations and are federally insured or are eligible to apply to become federally insured:

1. U.S. commercial banks
 - A. national banks;
 - B. state-chartered commercial banks; and
 - C. trust companies that perform a commercial banking business;
2. U.S. branches and agencies of foreign (non-U.S.) banks;
3. banking Edge Act and agreement corporations;
4. savings banks (mutual and stock);
5. building or savings and loan associations;
6. cooperative banks;
7. homestead associations;
8. credit unions; and
9. industrial banks (including thrift and loan companies and industrial savings banks) when chartered as a bank under state law.

The term “depository institution” excludes the following:

1. private banks or unincorporated banking institutions organized as partnerships or proprietorships and authorized to perform commercial banking business;
2. a trust company whose principal function is to accept and execute trust arrangements or act in a purely fiduciary capacity;
3. a cash depository, cooperative exchange, or similar depository organization whose principal function is to serve as a safe deposit institution;
4. a finance company, whether or not empowered to receive deposits or sell certificates of deposit;
5. U.S. government agencies and instrumentalities, such as the Office of Thrift Supervision, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, Banks for Cooperatives, the Federal Home Loan Mortgage Corporation, Federal Deposit Insurance Corporation, Federal National Mortgage Association, Federal Financing Bank, National Credit Union Share Insurance Fund, and NCUA Central Liquidity Facility;
6. Export-Import Bank of the United States;

7. Government Development Bank of Puerto Rico;
8. Minbanc Capital Corporation; and
9. Federal Reserve Banks.

Deposits

See Regulation D, section 204.2(a)(1).

Draft

An instrument signed by the drawer ordering the payment of a certain sum of money on demand to the order of a specified person or bearer.

Due bill

An instrument representing an obligation or promise to sell or deliver at some future date securities, foreign exchange, and so on. Due bills generally are issued in lieu of the item to be sold or delivered at times when the item is in short supply or otherwise currently unavailable. The issuance of due bills may give rise to a reservable deposit (see section 1, subsection G.2.i, Primary Obligations).

Edge Act and agreement corporations

An Edge Act corporation is a corporation chartered by the Federal Reserve Board under section 25(a) of the Federal Reserve Act to engage in international banking and financial operations.

An agreement corporation is a state-chartered corporation that enters into a written agreement with the Federal Reserve Board to enter into those activities that are permitted to Edge Act corporations (which are chartered by the Federal Reserve Board).

Excess balance account (EBA)

An account at a Reserve Bank established by one or more eligible institutions and in which only excess balances of the participating eligible institution(s) may at any time be maintained.

Exempt entities

U.S. offices of the following

1. U.S. commercial banks and trust companies conducting a commercial banking business and their majority-owned subsidiaries;
2. U.S. branches or agencies of foreign (non-U.S.) banks (that is, banks organized under foreign (non-U.S.) law);

3. banking Edge Act and agreement corporations;
4. mutual and stock savings banks;
5. building or savings and loan associations and homestead associations;
6. cooperative banks;
7. industrial banks;
8. credit unions (including corporate central credit unions);
9. the U.S. government and its agencies and instrumentalities, such as the Federal Reserve Banks, Office of Thrift Supervision, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, Banks for Cooperatives, the Federal Home Loan Mortgage Corporation, Federal Deposit Insurance Corporation, Federal National Mortgage Association, Federal Financing Bank, National Credit Union Share Insurance Fund, and NCUA Central Liquidity Facility;
10. Export-Import Bank of the United States;
11. Government Development Bank of Puerto Rico;
12. Minbanc Capital Corporation;
13. securities dealers, but only when the borrowing (a) has a maturity of one day, (b) is in immediately available funds, and (c) is in connection with the clearance of securities;
14. the U.S. Treasury (Treasury tax and loan account note balances);
15. New York State investment companies (chartered under Article XII of the New York State Banking Code) that perform a banking business and that are majority owned by one or more non-U.S. banks; and
16. investment companies or trust companies whose entire beneficial interest is held exclusively by one or more depository institutions.

Exemption amount

Section 411 of the Garn-St Germain Depository Institutions Act of 1982 subjects the first \$2.0 million of a depository institution's reservable liabilities to a reserve requirement of 0 percent. The amount of reservable liabilities subject to the 0 percent reserve requirement (the exemption amount) is adjusted each year for the next succeeding calendar year by 80 percent of the increase in total reservable liabilities of all depository institutions, measured on an annual basis as of June 30. (No corresponding adjustment is made in the event of a decrease in total reservable liabilities of all depository institutions.) The revised exemption amount is to be effective for the

following calendar year. The exemption amount is used in two ways. First, it is used for all FR 2900 reporters in the reserve requirement calculations during the calendar year (January through December) following the announcement of the revised amount. Second, for those depository institutions whose deposits reporting status is based on the level of their net transaction accounts, it is used to determine who must file the FR 2900 and who is eligible for reduced reporting for the 12-month period beginning in the September following the announcement of the revised exemption amount each year.

The current exemption amount can be found in chapter V of the Reserve Maintenance Manual.

Federal public funds

Funds of the U.S. government and funds the deposit of which is subject to the control and regulation of the United States or any of its officers, agents, or employees.

Federal Reserve draft

A draft issued by a depository institution that is drawn on its account at a Federal Reserve Bank and that is payable by the Federal Reserve Bank.

Finance bills

A bill of exchange not accompanied by shipping documents, usually of 60 days tenor or over, and drawn by a bank or banker in one country on a bank or banker in another for the purpose of raising funds. Finance bills are not drawn against the shipment of goods. They are sometimes drawn against balances maintained with the drawee bank but more often are not, being in the nature of an advance from a bank in one country to a bank in another. The drawee bank accepts a finance bill for a fixed commission but only, of course, when the drawing bank has a high credit rating.

Foreign (non-U.S.) bank

A bank organized under foreign (non-U.S.) law. Foreign (non-U.S.) banks include commercial banks, merchant banks, discount houses, and similar depository institutions, including nationalized banks that perform essentially a banking business and do not perform, to any significant extent, official functions of foreign (non-U.S.) governments.

Foreign (non-U.S.) governments

Central, national, state, provincial, and local governments in foreign (non-U.S.) countries (including their ministries, departments, and agencies) that perform functions similar to those performed in the United States by government entities.

For purposes of Regulation D, foreign (non-U.S.) governments also include foreign (non-U.S.) official banking institutions.

Foreign (non-U.S.) national government

A central or national government that performs functions similar to those performed by the federal government of the United States. State, provincial, and local governments are not included as foreign (non-U.S.) national governments.

Foreign (non-U.S.) official banking institutions

Central banks, nationalized banks, and other banking institutions in foreign (non-U.S.) countries that are owned by central governments and that have as a significant part of their function activities similar to those of a treasury, central bank, development bank, exchange control office, stabilization fund, monetary agency, currency board, and so on.

Hypothecated deposits

Funds received by the reporting institution that are recorded as deposits generally in accordance with state law and that reflect periodic payments by a borrower on an installment loan. These payments are accumulated until the sum of the payments equals the entire amount of principal and interest on the loan, at which time the loan is considered paid in full. The amounts received by the reporting institution are not immediately used to reduce the unpaid balance of the note but are assigned to the reporting institution and cannot be reached by the borrower or the borrower's creditors. Hypothecated deposits are not to be reported as reservable deposits.

Deposits that simply serve as collateral for loans are not considered hypothecated deposits for purposes of the FR 2900 report.

Immediately available funds

Funds that the reporting institution can invest or dispose of on the same business day that the transaction giving rise to receipt of the funds is executed. Such funds are sometimes referred to as "collected," "actually collected," "finally collected," or "good" funds.

International institution

(1) Any international entity of which the United States is a member, such as the International Bank for Reconstruction and Development (World Bank), International Monetary Fund, Inter-American Development Bank, and the United Nations; and (2) other foreign, international, or supranational entities of which the United States is not a member, such as the African Development Bank, Central Treaty Organization, European Atomic Energy Community, European Economic Community, European Development Fund, Caribbean Development Bank, Bank for International Settlements, and so on. (See Regulation D 12 CFR § 204.125.)

Letter of credit

A letter of advice, from a depository institution to its agent or correspondent, requesting that a sum of money be made available to the person named in the letter under specified conditions.

Loan-to-lender program

A loan-to-lender program involves the issuance of tax-exempt bonds by a state or local housing authority and the subsequent lending of the proceeds to a reporting institution with the condition that these funds be used to make specified types of residential real estate loans. The funds advanced to institutions under the program are evidenced by a loan agreement and a promissory note issued by the institution to the housing authority.

Majority-owned subsidiary

A U.S. subsidiary (except for an Edge Act and agreement corporation) of which a reporting institution owns 50 percent or more.

MMDA (Money market deposit account)

See savings deposit.

Natural person

A natural person for purposes of the FR 2900 report is an individual or a sole proprietorship. The term does not mean a corporation owned by an individual, a partnership, or other association.

Net transaction accounts

Total Transaction Accounts (item A.3) minus Demand Balances Due from Depository Institutions in the U.S. (item B.1) minus Cash Items in Process of Collection (item B.2) plus Ineligible Acceptances and Obligations Issued by Affiliates Maturing in Less Than Seven Days (item AA.1). Note that if the first three terms produce a result that is less than zero, that result should be set to zero before proceeding.

NINOW (Non-interest-bearing negotiable order of withdrawal) account

A deposit or account on which no interest or dividend is paid and from which withdrawals are made by negotiable or transferable instruments for the purpose of making payments to third parties.

Noncash item

An item that would otherwise fit the definition of cash items except that it requires special handling as classified by the Federal Reserve System's Operating Circulars.

Examples of items requiring special handling are as follows:

- items with a passbook, certificate, or other document attached;

- items accompanied by special instructions (such as a request of special advise of payment or dishonor); and
- items that have not been preprinted or post-encoded in magnetic ink with the routing number of the paying bank.

Nonconsolidated affiliate

An entity that

- is controlled by the shareholders of the reporting institution; that is, control is held directly or indirectly through stock ownership, or in any other manner, by (1) shareholders of the reporting institution who own or control either a majority of the shares of such depository institution or more than 50 percent of the number of shares voted for the election of directors of the reporting institution at the preceding election or by (2) trustees for the benefit of the shareholders of any such depository institution; or
- has a majority of its directors on the board of directors of the reporting institution; that is, the majority of its directors, trustees, or other persons exercising similar functions also are directors of any other depository institution; or
- owns or controls the reporting institution; that is, owns or controls directly or indirectly either a majority of the shares of capital stock of the reporting institution or more than 50 percent of the number of shares voted for the election of directors, trustees, or other persons exercising similar functions of the reporting institution at the preceding election or controls in any manner the election of a majority of directors, trustees, or other persons exercising similar functions of the reporting institution, or for the benefit of whose shareholders or members all or substantially all the capital stock of a depository institution is held by trustees.

Non-exempt deposit cutoff

This cutoff is used to determine whether depository institutions report on the FR 2900 weekly or quarterly.

The Federal Reserve Board determines the deposit cutoff. The Board also indexes the cutoff annually to grow at 80 percent of the June-to-June growth rate of total transaction accounts, savings deposits, and small time deposits at all depository institutions. Consistent with rules governing indexing the exemption amount, if total transaction accounts, savings deposits, and small time deposits decline in that period, the Board will make no downward adjustment through the indexing process. On occasion, the Federal Reserve Board has increased the deposit cutoff beyond its indexed level.

Non-exempt entity

A non-exempt entity is any one of the following:

1. individuals, partnerships, and corporations, wherever located;
2. security dealers wherever located, when the borrowing (a) has a maturity longer than one day, (b) is not in immediately available funds, and (c) is not in connection with the clearance of securities;
3. state and local governments in the United States and their political subdivisions;
4. a depository institution's parent holding company if the holding company is not a bank;
5. a depository institution's parent holding company's nonbanking subsidiaries;
6. a depository institution's nonbanking subsidiaries; and
7. international institutions.

Nonpersonal savings deposit

A savings deposit that is transferable or that represents funds deposited to the credit of, or in which any beneficial interest is held by, a depositor that is not a natural person.

Nonpersonal time deposit

Nonpersonal time deposit means

1. a time deposit representing funds deposited to the credit of, or in which any beneficial interest is held by, a depositor that is not a natural person;
2. a time deposit that is transferable and held by a natural person; or
3. a time deposit issued to and held by a natural person that does not contain on its face a statement that the deposit is not transferable.

Non-U.S.

Any geographic location, including the Commonwealth of Puerto Rico and U.S. territories and possessions, outside the 50 states of the United States and the District of Columbia.

Non-U.S. bank

See foreign (non-U.S.) bank.

NOW account

An interest-bearing deposit or account (1) on which the depository institution has reserved the right to require at least seven days' written notice prior to withdrawal or transfer of any funds in

the account and (2) that can be withdrawn or transferred to third parties by issuance of a negotiable or transferable instrument.

A NOW account is a transaction account. NOW accounts are authorized by federal law and are limited to accounts held by

1. individuals or sole proprietorships;
2. governmental units, including the federal government and its agencies and instrumentalities; state governments; county and municipal governments and their political subdivisions; the District of Columbia; the Commonwealth of Puerto Rico; American Samoa; Guam; and any territory or possession of the United States and their political subdivisions; or
3. an organization that is operated primarily for religious, philanthropic, charitable, educational, political, or other similar purposes and that is not operated for profit (under Federal Reserve Board rules, these include organizations, partnerships, corporations, or associations that are not organized for profit and are described in section 501(c)(3) through (13) and (19) and section 528 of the Internal Revenue Code (26 U.S.C. (I.R.C.1954) § 501(c)(3) through (13), (19) and § 527 through § 528), such as church organizations; professional associations; trade associations; labor unions; fraternities, sororities, and similar social organizations; and nonprofit recreational clubs). Please note, however, that the following types of organizations as described in the cited provisions of the Internal Revenue Code are among those not eligible to maintain NOW accounts:
 - A. credit unions and other mutual depository institutions (§ 501(c)(14));
 - B. mutual insurance companies (§ 501(c)(15));
 - C. crop financing organizations (§ 501(c)(16));
 - D. organizations created to function as part of a qualified group legal services plan (§ 501(c)(20)); and
 - E. farmers' cooperatives (§ 521).

Original maturity

The length of time from the date of issue to the earliest date that the funds may be withdrawn at the option of the depositor under the terms of the deposit agreement. Where a deposit is withdrawable on a specified date, the maturity is determined by the length of time between the issue date and the specified maturity date. Where a deposit has no specified maturity but can be withdrawn after written notice is provided to the reporting institution, the maturity is determined by the length of the required notice period. Roll-over certificates of deposit, multiple maturity deposits, alternative maturity deposits, or deposits providing other maturity combinations that

permit a depositor the option of withdrawing the deposit at different dates or periods of time should be reported on the basis of the earliest allowable withdrawal date.

Payable-through drafts

A negotiable demand draft that can be sent for payment to an institution that is not the institution on which the draft is drawn. The draft may be drawn on a depository institution, or it may be drawn on a nondepository institution.

Personal savings deposit

A savings deposit that is not transferable and that represents funds deposited to the credit of, or in which the entire beneficial interest is held by, a depositor who is a natural person.

Personal time deposit

A time deposit that represents funds deposited to the credit of, or in which the entire beneficial interest is held by, a natural person, including a time deposit that is issued to or held by a natural person and that contains a statement on its face that it is not transferable.

Preauthorized transfer

See telephone and preauthorized transfer accounts.

Reduced reporting limit

The amount of total transaction accounts, savings deposits, and small time deposits that if equaled or exceeded at a depository institution, requires the institution to report on the FR 2900 weekly, regardless of the level of their net transactions accounts.

Any institution with total transaction accounts, savings deposits, and small time deposits greater than or equal to the reduced reporting limit is required to report an FR 2900 weekly, regardless of the level of their net transaction accounts. Initially set at \$1 billion in 2003, the reduced reporting limit is indexed to 80 percent of the June 30-to-June 30 growth in total transaction accounts, savings deposits, and small time deposits at all depository institutions. As with current indexation procedures, if total transaction accounts, savings deposits, and small time deposits decline in that period, the reduced reporting limit would remain unchanged. The revised reduced reporting limit is effective for the 12-month period beginning in the September following the announcement of the revised reduced reporting limit each year.

Remote service unit (RSU)

RSU includes, without limitation, point-of-service terminals, merchant-operated terminals, cash-dispensing machines, and automated teller machines.

Repurchase agreement

An arrangement involving the sale of a security or other asset under a prearranged agreement to repurchase the same or similar security or asset at a later date.

Returned item

A check or draft that is returned by a drawee institution to the presenting institution because of certain irregularities that, if waived, might result in a loss to the drawee institution. The item is returned so that the presenting institution may correct the defect or take such other action as may be necessary, such as charging the depositor's account.

Savings deposit

A savings deposit is a deposit described in section 1, subsection G.1, or a primary obligation described in section 1, subsection G.2, with respect to which the depositor is not required by the deposit contract, but may at any time be required by the depository institution, to give written notice of an intended withdrawal not less than seven days before the withdrawal is made, and that is not payable on a specified date or at the expiration of a specified time after the date of deposit.

The term "savings deposit" also means a deposit or account, such as an account commonly known as a passbook savings account, a statement savings account, or a money market deposit account (MMDA), that otherwise meets the requirements of the preceding paragraph and from which, under the terms of the deposit contract or by practice of the depository institution, the depositor is permitted or authorized to make no more than six transfers and withdrawals, or a combination of such transfers and withdrawals, per calendar month or statement cycle (or similar period) of at least four weeks to another account (including a transaction account) of the depositor at the same institution or to a third party by means of a preauthorized or automatic transfer; a telephonic (including data transmission) agreement, order, or instruction; or a check, draft, debit card, or similar order made by the depositor and payable to third parties.

Share draft

A share draft is a negotiable or nonnegotiable draft signed by the account holder and directing the credit union on which the draft is drawn to pay a certain sum of money on demand to the order of a specified person or bearer. Such drafts are used to withdraw funds from a share draft account.

A share draft account is a share account from which funds may be withdrawn or transferred to third parties by issuance of a negotiable or transferable instrument or other order.

Small time deposit

A time deposit issued in an amount less than \$100,000.

Suspense accounts

Temporary holding accounts in which items are carried until they can be identified and their disposition to the proper asset or liability account can be made.

Telephone and preauthorized transfer accounts

Telephone and preauthorized transfer accounts that are regarded as transaction accounts are deposits or accounts, other than savings deposits, (1) in which the entire beneficial interest is held by a party eligible to hold a NOW account, (2) on which the reporting institution has reserved the right to require at least seven days' written notice prior to withdrawals or transfer of any funds in the account, and (3) under the terms of which, or by practice of the reporting institution, the depositor is permitted or authorized to make more than six withdrawals per month or statement cycle (or similar period) of at least four weeks for purposes of transferring funds to another account of the depositor at the same institution (including a transaction account) or for making payment to a third party by means of a preauthorized transfer; a telephonic (including data transmission) agreement, order, or instruction; or a check, draft, debit card, or similar order made by the depositor and payable to third parties. An account that permits or authorizes more than six such withdrawals in a month is a transaction account whether or not more than six such withdrawals actually are made in a month. (A month is a calendar month or any period approximating a month that is at least four weeks long, such as a statement cycle.)

A preauthorized transfer includes any arrangement by the reporting institution to pay a third party from the account of a depositor upon written or oral instruction (including an order received through an automated clearing house, or ACH), or any arrangement by the reporting institution to pay a third party from the account of the depositor at a predetermined time or on a fixed schedule.

Telephone and preauthorized transfers also include deposits or accounts maintained in connection with an arrangement that permits the depositor to obtain credit directly or indirectly through the drawing of a negotiable or nonnegotiable check, draft, order or instruction, or other similar device (including telephone or electronic order or instruction) on the issuing institution that can be used for the purpose of making payments or transfers to third persons or others or to a deposit account of the depositor.

Also include in this item the balance of deposits or accounts that otherwise meet the definition of time deposits but from which payments may be made to third parties by means of a debit card (including POS debits), an ATM, a RSU, or other electronic device, regardless of the number of payments made.

Teller's check

A check or draft drawn by a depository institution on another depository institution, a Federal Reserve Bank, or a Federal Home Loan Bank or payable at or through a depository institution, a Federal Reserve Bank, or a Federal Home Loan Bank.

Teller's checks do not include checks or drafts sold by a bank acting in an agency capacity where that capacity is clearly stated on the face of the check or checks, or drafts drawn without recourse where permitted by state law.

Time certificate of deposit

A deposit described in section 1, subsection G.1, or a primary obligation described in section 1, subsection G.2, that is payable on a specified date, after a specified period of time from the date of deposit, or after a specified notice period, which may be not less than seven days from the date of deposit.

A time deposit may be represented by a transferable or nontransferable, or a negotiable or nonnegotiable, certificate, instrument, passbook, or statement. A nonnegotiable time deposit is distinguished from a nontransferable time deposit in that the transferee of a nonnegotiable time deposit would not be a holder in due course and would not have the ability to cut off certain defenses of an obligor even though an exchange for value can be made. A nontransferable time deposit allows no exchange for value to be made.

Time deposit

A deposit described in section 1, subsection G.1, or a primary obligation described in section 1, subsection G.2, from which the depositor does not have a right and is not permitted to make withdrawals from within six days after the date of deposit unless the deposit is subject to an early withdrawal penalty of at least seven days' simple interest on amounts withdrawn within the first six days after deposit. A time deposit from which partial early withdrawals are permitted must impose additional early withdrawal penalties of at least seven days' simple interest on amounts withdrawn within six days after each partial withdrawal. If such additional early withdrawal penalties are not imposed, the account ceases to be a time deposit. The account may become a savings deposit if it meets the requirements for a savings deposit; otherwise, it becomes a demand deposit.

Time deposit open account

A deposit other than a time certificate of deposit, with respect to which there is in force a written contract with the depositor that neither the whole nor any part of such deposit may be withdrawn prior to the date of maturity, which shall be not less than seven days after the date of deposit, or prior to the expiration of the period of notice, which must be given by the depositor in writing not less than seven days in advance of withdrawal.

Transferable

Any deposit that does not contain a specific statement on the certificate, instrument, passbook, statement, or other form representing the deposit that the deposit is not transferable. A deposit that contains a specific statement that it is not transferable is not regarded as transferable even if the following transactions can be effected: a pledge as collateral for a loan; a transaction that

occurs due to circumstances arising from death, incompetency, marriage, divorce, attachment, or otherwise by operation of law; or a transfer on the books or records of the institution.

Unposted credits

Items that have been received for deposit and that are in process of collection but that have not been posted to individual or general ledger deposit accounts. These credits should be reported as deposits.

Unposted debits

Cash items drawn on the reporting institution that have been paid or credited by the institution and that are chargeable but that have not been charged against deposits as of the close of business. These items should be reported as “cash items in process of collection” until they have been charged to either individual or general ledger deposit accounts.

U.S. (United States)

The 50 states of the United States and the District of Columbia, and military facilities, wherever located.

U.S. branches and agencies of foreign (non-U.S.) banks

Branches and agencies of foreign (non-U.S.) banks that operate as a U.S. office of their foreign (non-U.S.) parent bank. The branch or agency may be licensed by the U.S. government or by a state of the United States. As defined by section 1 of the International Banking Act of 1978 (12 U.S.C. §3101), a branch means any office or any place of business of a foreign (non-U.S.) bank located in any state of the United States at which deposits are received; an agency means any office or any place of business of a foreign (non-U.S.) bank located in any state of the United States at which credit balances are maintained incidental to, or arising out of, the exercise of banking powers, checks are paid, or money is lent but at which deposits may not be accepted from citizens or residents of the United States.

U.S. Treasury general account

A Treasury account maintained at the reporting institution to which government officers deposit funds obtained in connection with special collections, such as customs fees or other tax collections.

U.S. Treasury tax and loan account

A Treasury demand deposit account maintained at the reporting institution through which the Treasury receives deposits (receipts), principally of federal tax payments and proceeds from the sale of savings bonds. The account does not include U.S. Treasury tax and loan account note balances.

U.S. Treasury tax and loan account note balance

That balance representing the total amount outstanding of open-ended interest-bearing notes issued by the reporting institution to the U.S. Treasury under the U.S. Treasury tax and loan account note option program.

A depository authorized to accept U.S. Treasury tax and loan account deposits may administer such accounts under either of two options: (1) the remittance option or (2) the note option. Under the remittance option, depositories must send the previous day's tax and loan account balance as of the close of business to the Federal Reserve Banks. Under the note option, depositories will automatically convert the previous day's close-of-business balance in their tax and loan account to an interest-bearing demand note, which must be fully collateralized.