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**Draft Instructions
for Call Report Revisions
for June 2012**

Updated Draft as of April 3, 2012

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Draft Instructions for Call Report Revisions for June 2012

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NOTE: These draft instructions, which are subject to change, apply to the Call Report revisions for June 2012 described in the banking agencies’ final Federal Register notice published on February 17, 2012 (http://www.ffiec.gov/pdf/FFIEC_forms/FFIEC031_FFIEC041_20120217_ffr.pdf) and in the banking agencies’ final Federal Register notice published on December 12, 2011, pertaining to assessment-related data reported in Schedule RC-O (http://www.ffiec.gov/pdf/FFIEC_forms/FFIEC002_FFIEC002S_FFIEC031_FFIEC041_20111212_ffr.pdf). These Call Report revisions have been approved by the U.S. Office of Management and Budget.

These draft instructions for Call Report revisions for June 2012 are unchanged from the draft instructions included in the draft dated February 23, 2012, which also included draft instructions for Call Report revisions for March 2012.

Questions and comments concerning these draft instructions may be submitted to the FFIEC by going to <http://www.ffiec.gov/contact/default.aspx>, clicking on “Reporting Forms” under the “Reports” caption on the Web page, and completing the Feedback Form.

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Draft Instructions for Call Report Revisions for June 2012

Schedule RC-N – Past Due and Nonaccrual Loans, Leases, and Other Assets

Memoranda

Item No. Caption and Instructions

NOTE: Memorandum items 9.a and 9.b are to be completed by all institutions.

- 9** **Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3).** Report in the appropriate subitem and column the outstanding balance and carrying amount of "purchased credit-impaired loans" reported as held for investment in Schedule RC-C, part I, Memorandum items 7.a and 7.b, respectively, that are past due 30 days or more or are in nonaccrual status as of the report date. The carrying amount of such loans will have been included by loan category in items 1 through 7 of Schedule RC-N, above. Purchased credit-impaired loans are accounted for in accordance with ASC Subtopic 310-30, Receivables – Loans and Debt Securities Acquired with Deteriorated Credit Quality (formerly AICPA Statement of Position 03-3, "Accounting for Certain Loans or Debt Securities Acquired in a Transfer"). Purchased credit-impaired loans are loans that an institution has purchased, including those acquired in a purchase business combination, where there is evidence of deterioration of credit quality since the origination of the loan and it is probable, at the purchase date, that the institution will be unable to collect all contractually required payments receivable. Loans held for investment are those that the institution has the intent and ability to hold for the foreseeable future or until maturity or payoff.
- 9.a** **Outstanding balance.** Report in the appropriate column the outstanding balance of all purchased credit-impaired loans reported as held for investment in Schedule RC-C, part I, Memorandum item 7.a, that are past due 30 days or more or are in nonaccrual status as of the report date. The outstanding balance is the undiscounted sum of all amounts, including amounts deemed principal, interest, fees, penalties, and other under the loan, owed to the institution at the report date, whether or not currently due and whether or not any such amounts have been charged off by the institution. However, the outstanding balance does not include amounts that would be accrued under the contract as interest, fees, penalties, and other after the report date.
- 9.b** **Carrying amount included in Schedule RC-N, items 1 through 7, above.** Report in the appropriate column the carrying amount (before any allowances established after acquisition for decreases in cash flows expected to be collected) of, i.e., the recorded investment in, all purchased credit-impaired loans reported as held for investment in Schedule RC-C, part I, Memorandum item 7.b, that are past due 30 days or more or are in nonaccrual status as of the report date.

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Schedule RC-O – Other Data for Deposit Insurance and FICO Assessments

Item No. Caption and Instructions

NOTE: Item 9.a is to be completed on a fully consolidated basis by institutions that own another insured depository institution.

- 9.a** **Fully consolidated reciprocal brokered deposits.** Report on a fully consolidated basis the amount of reciprocal deposits (as defined in Schedule RC-O, item 9, above) included in the amount of brokered deposits (in domestic offices) reported in Schedule RC-E, (part I,) Memorandum item 1.b, "Total brokered deposits."

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Memoranda

Item No. Caption and Instructions

NOTE: Memorandum item 16 is to be completed on a fully consolidated basis by "large institutions" and "highly complex institutions."

- 16** **Portion of loans restructured in troubled debt restructurings that are in compliance with their modified terms and are guaranteed or insured by the U.S. government (including the FDIC).** Report on a fully consolidated basis the portion of loans restructured in troubled debt restructurings that are in compliance with their modified terms (included in Schedule RC-C, part I, Memorandum item 1) that is guaranteed or insured by the U.S. government, its agencies, or its government-sponsored agencies, including restructured loans guaranteed under FDIC loss-sharing agreements.

Exclude restructured loans guaranteed or insured by state or local governments, state or local government agencies, foreign (non-U.S.) governments, and private agencies or organizations as well as restructured loans collateralized by securities issued by the U.S. government, including its agencies and its government-sponsored agencies.

NOTE: Memorandum item 17 is to be completed on a fully consolidated basis by "large institutions" and "highly complex institutions" that own another insured depository institution.

- 17** **Selected fully consolidated data for deposit insurance assessment purposes:**
- 17.a** **Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations.** Report on a fully consolidated basis the gross total deposit liabilities as of the calendar quarter-end report date that meet the statutory definition of deposits in Section 3(l) of the Federal Deposit Insurance Act before deducting allowable exclusions from total deposits. Refer to the instructions for Schedule RC-O, item 1, for a description of gross total deposit liabilities.
- 17.b** **Total allowable exclusions, including interest accrued and unpaid on allowable exclusions (including foreign deposits).** Report on a fully consolidated basis the total amount of allowable exclusions from deposits as of the calendar quarter-end report date if the institution maintains records that will readily permit verification of the correctness of its reporting of exclusions. Refer to the instructions for Schedule RC-O, item 2, for a description of allowable exclusions.

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Schedule RC-O – Other Data for Deposit Insurance and FICO Assessments (cont.)

Memoranda

Item No. **Caption and Instructions**

- 17.c **Unsecured “Other borrowings” with a remaining maturity of one year or less.** Report on a fully consolidated basis the amount of the institution’s “Other borrowings” (as defined for Schedule RC-M, item 5.b) that are unsecured and have a remaining maturity of one year or less. Refer to the instructions for Schedule RC-O, items 7 and 7.a, for further guidance on reporting unsecured “Other borrowings” with a remaining maturity of one year or less.
- 17.d **Estimated amount of uninsured deposits (in domestic offices of the institution and in insured branches in Puerto Rico and U.S. territories and possessions), including related interest accrued and unpaid.** Report on a fully consolidated basis the estimated amount of the institution’s deposits (in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions) that is not covered by federal deposit insurance. Refer to the instructions for Schedule RC-O, Memorandum item 2, for further guidance on reporting the estimated amount of uninsured deposits.

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Schedule RC-P – 1-4 Family Residential Mortgage Banking Activities

Item No. Caption and Instructions

7 **Representation and warranty reserves for 1-4 family residential mortgage loans sold.**
When an institution sells or securitizes mortgage loans, it typically makes certain representations and warranties to the investors or other purchasers of the loans at the time of the sale and to any financial guarantors or mortgage insurers of the loans sold. The specific representations and warranties may relate to the ownership of the loan, the validity of the lien securing the loan, and the loan's compliance with specified underwriting standards. Under ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, "Accounting for Contingencies"), an institution is required to accrue loss contingencies relating to the representations and warranties made in connection with its mortgage securitization activities and mortgage loan sales when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

Report in the appropriate subitem the amount of representation and warranty reserves included in Schedule RC-G, item 4, "All other liabilities," that the institution maintains for 1-4 family residential mortgage loans sold, including those mortgage loans transferred in securitizations accounted for as sales.

7.a **For representations and warranties made to U.S. Government agencies and Government-sponsored agencies.** Report the amount of reserves that the institution maintains for representations and warranties made to U.S. Government agencies and Government-sponsored agencies in connection with sales of 1-4 family residential mortgage loans, including mortgage loans transferred in securitizations accounted for as sales.

U.S. Government agencies and Government-sponsored agencies include, but are not limited to, such agencies as the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Federal National Mortgage Association (FNMA).

7.b **For representations and warranties made to other parties.** Report the amount of reserves that the institution maintains for representations and warranties made to parties other than U.S. Government agencies and Government-sponsored agencies in connection with sales of 1-4 family residential mortgage loans, including mortgage loans transferred in securitizations accounted for as sales.