

FR Y-7N + Y-7NS

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unless the line item instructions allow it.

General Instructions

Holding Companies (FR Y-9C) for information concerning general definitions.

For purposes of this report, related organizations include (1) any organization that directly or indirectly controls the reporting nonbank subsidiary, (2) any organization that is controlled directly or indirectly by the reporting nonbank subsidiary, or (3) any organization that is controlled directly or indirectly by any bank holding company that controls the reporting subsidiary (i.e., if more than one bank holding company directly or indirectly controls the reporting nonbank subsidiary, then all organizations directly or indirectly controlled by each bank holding company is considered related regardless of whom submits this report). In addition, for purposes of this report related organizations include all associated companies.

Nonrelated organizations include all organizations that do not meet the definition of "related organizations." Nonrelated organizations include all organizations outside of the bank holding company structure and refer to third party entities.

Miscellaneous General Instructions

Rounding

All financial items must be reported in thousands of dollars, with the figures rounded to the nearest thousand. Items less than \$500 should be reported as zero.

Negative Entries

Negative entries are generally not appropriate on the FR Y-7N/FR Y-7NS reports and should not be reported. Hence, assets with credit balances must be reported in liability items and liabilities with debit balances must be reported in asset items, as appropriate, and in accordance with these instructions.

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Additional Information

The Federal Reserve System reserves the right to require additional information from nonbank subsidiaries if the FR Y-7N/FR Y-7NS report is not sufficient to appraise the financial soundness of the nonbank subsidiary or to determine its compliance with applicable laws and regulations.

General Criteria Chart for FR Y-7N/FR Y-7NS

See General Instructions for more detail.

Quarterly Filers Detailed Report (FR Y-7N)	Annual Filers Detailed Report (FR Y-7N)	Annual Filers Abbreviated Report (FR Y-7NS)	Exemptions No report required
1) Nonbank total assets are greater than or equal to \$1 billion or 2) Nonbank's off-balance-sheet activities are greater than or equal to \$5 billion	Nonbank does not meet any of the quarterly filing criteria and its total assets are greater than or equal to \$250 million but less than \$1 billion	Nonbank does not meet any of the FR Y-7N filing criteria and its total assets are greater than or equal to \$50 million but less than \$250 million	Nonbank does not meet any of the FR Y-7NS criteria and 1) Nonbank total assets are less than \$50 million or 2) Specific exemption (see exemption list in General Instructions)

Schedule IS

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Report salaries and benefits of all officers and employees of the subsidiary including guards and contracted guards, temporary office help, dining room and cafeteria employees, and building department officers and employees (including maintenance personnel). Include gross salaries, wages, and other compensation; contributions to retirement plan, pension fund and profit-sharing plan; employee stock ownership plan, employee stock purchase plan, and employee savings plan; social security and other taxes paid by the subsidiary; health and life insurance premiums; relocation and tuition programs; and the cost of all other fringe benefits for officers and employees.

Report all noninterest expenses related to the use of premises, equipment, furniture, and fixtures, net of rental income, that are reportable in Schedule BS, item 5, "Premises and fixed assets." If this net amount is a credit balance, enclose it in parentheses.

Deduct rental income from gross premises and fixed asset expense. Rental income includes all rentals charged for the use of buildings not incident to their use by the reporting subsidiary, including rentals by regular tenants of the subsidiary, income received from short-term rentals of other facilities of the subsidiary, and income from sub-leases. Also deduct income from assets that indirectly represent premises, equipment, furniture, or fixtures reportable in Schedule BS, item 5, "Premises and fixed assets." Include normal and recurring depreciation and amortization charges against assets; all operating lease payments made by the subsidiary on premises and equipment; cost of ordinary repairs to premises (including leasehold improvements), equipment, furniture, and fixtures; cost of service or maintenance contracts for equipment, furniture, and fixtures; insurance expense related to the use of premises, equipment, furniture, and fixtures; all property tax and other tax expense related to premises (including leasehold improvements), equipment, furniture, and fixtures; cost of heat, electricity, water, and other utilities connected with the use of premises and fixed assets; cost of janitorial supplies and outside janitorial services; and services and fuel, maintenance, and other expenses related to the use of the subsidiary-owned automobiles, airplanes, and other vehicles for the subsidiary's business.

Include fees paid to directors and advisory directors for attendance at board of directors or committee meetings; premiums on fidelity insurance, directors' and officers'

liability insurance, and life insurance policies for which the subsidiary is the beneficiary; federal deposit insurance premium; Comptroller of the Currency assessment expense; legal fees and other direct costs incurred in connection with foreclosures; and advertising, promotional, public relations, and business development expenses; data processing cost; goodwill impairment losses; amortization expenses of and impairment losses for other intangible assets; and all other noninterest expenses pertaining to nonrelated organizations.

Also report any provision for credit losses related to off-balance-sheet credit exposures, based upon management's evaluation of the subsidiary's current off-balance-sheet credit exposures.

Line item 7(b) Pertaining to related organizations.

Report all expenses involving related organizations that cannot properly be reported in Schedule IS, item 2(b), "Interest expense pertaining to related organizations."

~~Report amounts that have net credit balances as noninterest income in item 5(b), "Noninterest income from related organizations."~~ Enclose negative amounts in parentheses or with a minus (-) sign.

Line Item 7(c) Total noninterest expense. For reports submitted electronically please use a minus (-) sign.

Line Item 8 Income (loss) before extraordinary items and other adjustments. indicate a value less than zero.

Report the sum of items 3, 5(c) and 6, minus items 4 and 7(c). If the result is negative, enclose the amount in parentheses.

Line Item 9 Applicable income taxes (benefits) (estimated).

Report the total estimated federal, state and local, and foreign income tax expense applicable to item 8, "Income (loss) before extraordinary items and other adjustments," including the tax effects of gains (losses) on securities not held in trading accounts (i.e., available-for-sale securities and held-to-maturity securities). Include both the current and deferred portions of these income taxes. If the result is negative (i.e., the amount is a tax benefit rather than a tax expense), enclose the amount in parentheses.

Include as applicable income taxes all taxes based on a net amount of taxable revenue less deductible expenses. Exclude the estimated income taxes applicable to foreign currency translation adjustments included in Sched-