UNIFORM CALL REPORT

INSTRUCTIONS FOR PREPARING

THE REPORT OF FINANCIAL CONDITION AND PERFORMANCE

REQUIRED BY THE FARM CREDIT ADMINISTRATION

(last updated March 2025)

Contents

General Instructions

This booklet provides instructions for Farm Credit System (FCS or System) institutions to prepare and file Uniform Reports of Financial Condition and Performance (Call Report) with the Farm Credit Administration (FCA). This instruction booklet covers the reporting requirements for System institutions and remains in force until amended or replaced. The current instruction booklet must be retained in a paper or electronic format. FCA will notify System institutions when there are updates to the instructions, revisions to report forms, changes in reporting requirements, or correction of errors.

Who must report and for what periods

Quarterly Call Reports are required to be filed with FCA for each calendar quarter period ending March 31, June 30, September 30, and December 31. All Farm Credit System institutions must report the information required in the Call Report application. As noted in the application, specific schedules, items, or parts of schedules are applicable only to certain types of institutions. Each reporting institution must prepare and submit the Call Report in terms of calendar quarters regardless of the fiscal period used in its own accounting practices. All items reported on the Call Report must reflect all appropriate adjusting and closing entries to the financial records of the reporting institution required to bring them to a calendar-quarter basis.

Reporting institutions must prepare Call Reports on a stand-alone basis (i.e., not consolidated or combined with another entity). Each Farm Credit System bank and certain associations as instructed by FCA are required to prepare and submit Schedules RC-N.1, Repricing Opportunities and Relationships, and RC-N.2, Interest Rate Risks Measurements, as a supplement to the Call Report. The reporting dates for information on these two supplemental schedules are the same quarterly month ends as the other Call Report schedules (i.e., March 31, June 30, September 30, and December 31 of each year). However, unlike the regular Call Report data file, which must be filed earlier, the data file for these two schedules is not required to be filed with FCA until the 60th day following the report date.

FCA's long-standing position is that a non-receipt of a request for the Call Report is not an acceptable explanation by any System institution for non-submission of a Call Report. In the event your institution does not receive a request for any Call Report by the required quarter month-end report date, your institution should immediately contact FCA. This notification of non-receipt of a request will still provide your institution with enough time to receive any Call Report request information inadvertently misplaced in the delivery process and timely submit your institution's Call Report.

Questions concerning any part of these instructions should be directed to the Chief Data Officer (ChiefDataOfficer@FCA.gov), Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

Every Farm Credit System institution, as listed below, is required, in accordance with regulation, to prepare and file the Call Report with FCA. This includes:

Farm Credit System Banks

- Farm Credit Banks (FCBs)
- Agricultural Credit Banks (ACBs)

Farm Credit System Associations

- Agricultural Credit Associations (ACAs)
- Federal Land Credit Associations (FLCAs)

Farm Credit System Service Institutions

- AgVantis, Inc.
- Federal Farm Credit Banks Funding Corporation (FFCBFC)
- Farm Credit Financial Partners
- Farm Credit Foundations
- Farm Credit Leasing Services Corporation (FCLSC)
- Federal Agricultural Mortgage Corporation (Farmer Mac)
- Other Farm Credit System service institutions

Certification

Each institution's quarterly Call Report submission must be certified correct by an officer of the institution who has been named for that purpose by action of the institution's board of directors. If a reporting institution's board of directors has not named an officer to certify the correctness of its Call Report, the chief executive officer of the institution shall have the responsibility of certifying its correctness.

The required certification must be in the same form as the Certification Letter example provided in Appendix B. A separate signed Certification Letter for each quarter's completed Call Report and Supplemental Call Report must be maintained in the institution's files. Each reporting institution must retain the completed Call Report, including the Certification Letter, to document in its files its compliance with FCA reporting requirements and as a record of its financial condition and performance under applicable statutes, regulations, and instructions. (See instructions under "Retention.")

How and when to file reports

Quarterly Call Report information, addendum, and supplemental reporting schedules RC-N.1 and RC-N.2 must be file through the Call Report application via FCA's website, **www.FCA.gov**. Please follow the instructions provided in Appendix C for guidance on submitting Call Report data, addendums, supplement reporting, and other information to FCA.

Call Report (including Supplemental Call Report) information must be filed with FCA on or before the date they are due. If the due date falls on a Saturday, Sunday, or Federal holiday, the Call Report information are due to FCA the next business day.

For **Farm Credit Banks and Agricultural Credit Banks,** Call Reports must be filed with FCA on the 20th of the month following quarter-end. (i.e., April 20, July 20, October 20, and January 20). Supplemental Call Report submissions must be filed with FCA on the 60th day following quarter-end (i.e., May 30, August 29, November 29, and March 1).

Agricultural Credit Associations, Federal Land Credit Associations, and Farm Credit System service institutions must file their Call Reports with FCA on the last day of the month following quarter-end (i.e., April 30, July 31, October 31, and January 31).

Preparation of the call report

Each Farm Credit institution is required to prepare and file the Call Report in accordance with, and by consistent application of, these instructions.

Each reporting institution's financial records shall be maintained in such manner and scope as to ensure that the institution can prepare the Call Report in accordance with these instructions in a timely, accurate, and reliable manner. All items reported to FCA should reflect all those adjusting and closing entries to the financial records of the reporting institution that are appropriate for accurate reporting of the institution's financial condition as of the required report date.

The substance of the definition, identification, and specification of each item in the Call Report is specifically and explicitly provided in these instructions. Reporting institutions must consult the details of these instructions before setting up their procedures for preparing the Call Report. The items and amounts reported must conform to these instructions and must be so certified.

The institution's identification number is a seven-digit number (made up of a system code, district code, and association code) which is assigned by FCA (see Appendix A). The system code is a two-digit number that designates the reporting system as follows: FCB (06), ACA (07), FLCA (08), ACB (09), and other Farm Credit institutions (20). The district code is a two-digit number that designates the specific district within the System. Examples of valid district codes are as follows: Texas (10), AgFirst (20), etc. The association code is a three-digit number that designates the specific association or institution within the district. For banks, this code will be 000. For service organizations, the codes will start at 001 will incrementally increase by one for each additional service organization created by the System.

When a merger or combination occurs, the newly merged/combined entity must have a new unique identification number assigned to it. In order to obtain the proper identification number, the institution must contact FCA at ChiefDataOfficer@fca.gov describing the type of merger or combination and the entities involved. FCA will then issue an identification number to use in all future correspondence with FCA. This procedure must also be followed if a new entity is chartered. FCA will always provide the new identification number, which **must** be used when reporting to FCA. All valid system, district, and association codes are described in Appendix A.

- **Reporting in Whole dollars:** Beginning quarter-ending March 31, 2024, all reporting institutions must report amounts in whole dollars. Incorporated into the Call Report application are appropriate data validation thresholds to prevent incorrect error messaging based on rounding discrepancies.

- **Negative Values**: With only a few specific exceptions, negative values are not appropriate entries in the Call Report data file. Where an item title appears with the word LESS preceding it, do **not** put a minus sign before the amount in the data cell—the minus is redundant in this case and leads to addition of the amount. The items with LESS preceding the title will be automatically subtracted, and therefore do not need a minus sign. In a situation where the amount being reported should accurately be added rather than subtracted where a LESS appears, reporting the amount with a minus sign would be appropriate. Generally, asset items showing a credit balance should be netted against another asset or reported as a liability, and liability items showing a debit balance should be netted against another liability or reported as an asset as specified in the detailed instructions.

- **Retention.** All workpapers and other records used to prepare each Call Report must be prepared and retained in such manner as to facilitate reconciliation of the submitted Call Report with the financial records of the reporting institution. In addition, the original copy of the Call Report submission shall be maintained by the respective reporting institution for a period of 10 years following the report date, in either paper or electronic format.

- **Merged Institutions**. The continuing institution that is involved in a merger (or similar combination or consolidation) or is involved in the material acquisitions of assets from another institution is responsible for preparing and filing a Call Report for the reporting period in which the merger occurred. If the merger (or similar consolidation) occurs at a time other than the first day of a quarter, the continuing institution should follow the acquisition method of accounting in determining the correct reporting for Call Report purposes. Institutions that are no longer in existence at the reporting date do not file a Call Report.

    - In preparing condition and income reports for the merged or combined institution, the reporting institution must follow generally accepted accounting principles (GAAP), in particular the provisions of Accounting Standards Codification (ASC) 805, Business Combinations. In general, ASC 805 requires business combinations to be accounted for under the acquisition method of accounting (previously called the purchase method). This Statement applies to all business entities, including mutual entities (which would include cooperative enterprises such as System institutions) that previously used the pooling-of-interests method of accounting for some business combinations. Under the old pooling-of-interests approach, a business combination was essentially accounted for by combining the assets and liabilities of the merging entities at their carrying amounts. The acquisition method requires (a) identifying the acquirer, (b) determining the acquisition date, (c) recognizing and measuring the identifiable tangible and intangible assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree, at their acquisition date fair values, and (d) recognizing and measuring goodwill or a gain from a bargain purchase. The most significant impact of this approach for System institutions will be the establishment of a new measurement principle for valuing the acquired entity, i.e., the acquired entity, as well the underlying assets and liabilities, must be recorded at their fair value. For example, loans of the acquired entity must be measured at fair value at the date of acquisition. The measurement of fair value includes credit risk as well. For loans designated purchased credit deteriorated (PCD) institutions must recognize an initial allowance for credit losses (ACL) upon acquisition using the expected credit loss model. Acquired PCD assets are recorded at the purchase price (fair value) plus the initial estimated credit loss amount (i.e., the "gross up" method).

- **Other Charter Activities.** Each newly organized/chartered institution (in which the new charter did not result from a merger, combination, consolidation, realignment/transfer of territory, etc.) must prepare and file an initial Call Report data file for the first quarter end subsequent to the new institution's date of charter. Accordingly, a newly organized/chartered institution's initial Call Report will cover the period of time from the reporting institution's date of charter to the first subsequent quarter end.

- Conversely, each institution that has had its charter canceled (in which the canceled charter did not result from a merger, combination, consolidation, realignment/transfer of territory, etc.) must prepare and submit a final Call Report for the quarter end subsequent to the date of its charter being canceled. If the charter cancellation date for any reporting institution is the same date as a quarter end, the institution's final Call Report will coincide with the quarter end date.

- **Addendum.** In preparing various schedules for the Call Report data file, the instructions will often require amounts reported on particular lines be fully explained in an addendum to the report. If an addendum is required to be prepared by the reporting institution, it must be prepared in accordance with the following guidelines:

  - Addendum explanations must provide sufficient detail to enable someone unfamiliar with it to easily determine the reason and/or cause for the amount being reported in that space (rather, if appropriate, than in some other space).

  - Items being explained must be clearly referenced to the schedule line item and column, as appropriate, where the amount being explained is reported.

  - Specific reference to the addendum must be incorporated into the Certification Letter.

- **Accrual Accounting**. All reporting institutions are required by regulation to maintain their accounting records and to prepare all schedules of the Call Report on an accrual basis. In accrual accounting, income is recorded when earned, not when received; expenses are recorded when incurred, not when paid.

- **Applicability of Generally Accepted Accounting Principles**. In general, it is intended that these instructions be in accordance with GAAP. However, Call Reports are not merely accounting documents; they are documents serving regulatory, examination, supervisory, and statutory purposes. To serve these needs, regulations may require departures from GAAP in certain instances; in cases where such departures affect reporting requirements, they are reflected in these instructions. Similarly, the accounting procedures of each FCS institution are, in all material respects, expected to be consistent with GAAP, but compliance with statutory and regulatory requirements may involve some departure from GAAP.

- In preparing the Call Report, no heading or caption on any schedule shall be changed in any way.

- **Filing Supplemental Call Reports.** Unless otherwise instructed by FCA, Farm Credit System associations and service institutions are not required to prepare and submit Schedule RC-J or the Supplemental Call Report consisting of Schedules RC-N.1 and RC-N.2.

Revised reports

As discussed previously, FCA Regulations require each System institution to prepare and submit accurate reports of condition and performance to FCA. Designated officials of each reporting institution are required by regulation to certify to the accuracy of each Call Report submitted to FCA. This certification is made each time the institution submits its Call Report data file to FCA.

In the event an institution finds an error and/or determines that a material correction or adjustment in the Call Report data file after its initial submission to FCA, the institution is required to submit electronically a new certification using Appendix D (Notice of Correction to Call Report). The Appendix D must be signed by the designated certifying officer and provide a detailed written explanation as to: (1) why the correction or adjustment is necessary; (2) the circumstances or events culminating in management's determination that the adjustment or correction was required; and (3) what actions the institution has taken to notify its board of directors of the adjustment or correction. In addition to the Appendix D, the institution must submit an updated data to FCA—no other mechanism for communicating the changes will be accepted. The institution must maintain the signed copy of Appendix D (either paper or electronic) in its files for possible review by FCA examiners.

Institutions shall only submit corrections or adjustments that are deemed material. Institutions filing revisions to the Call Reports are required to complete an Appendix D– Notice of Correction to Call Report form listing the needed changes to the Call Report. An example of the form is provided in this instruction booklet and may be obtained from FCA's website, **www.FCA.gov**. The Appendix D should be electronically submitted to FCA and a signed copy of it (either paper or electronic) should be maintained in the institution's files for review by FCA examiners.

Institution profile and branch office directory

FCA has created an institution profile and branch office directory on its website for each reporting institution (see Appendix E for information on accessing the profile). The profile includes basic institution information such as names of key personnel, mailing address, and telephone numbers. FCA regards the Institution Profile as the official source on institution information and as such uses it to create mailings to FCS CEOs or board chairman. Consequently, it is imperative that the information be accurate at all times to prevent FCA from using inaccurate or incorrect spelling of names, or incorrect mailing addresses. Therefore, changes in names, addresses, and telephone numbers must be made to the Institution Profile in a timely manner. In addition, each reporting institution is required to update and submit its Institution Profile to FCA quarterly even if there are no changes, thereby, certifying the accuracy of their profile information. Please also note that the accuracy of the Lender Locator application on FCA's website is dependent on the information provided in your profile and branch office directory.

Instructions for the report of financial conditions and related instructions

Schedule RC: Balance Sheet

Line-Item Instructions

Item No.	Caption and Instructions
Assets	
1	**Cash.** Each reporting institution must report in item 1 its total holdings of cash and balances due from depository institutions. These include: (a) Cash items in process of collection, currency, and coin. (1) Include all checks or drafts in process of collection that are drawn on a depository institution (or on a Federal Reserve bank) and that are payable immediately upon presentation in the United States. This includes both checks that have been forwarded for deposit, but for which the reporting institution has not been given credit and checks on hand (i.e., from undeposited receipts) that will be presented for payment or forwarded for collection on the following business day. (However, exclude those undeposited receipts received in late mails that will be included in the next day's business.) Also include Government agency items that are payable immediately upon presentation and that are in process of collection and any other items in process of collection that are payable immediately upon presentation in the United States and that are customarily cleared or collected as cash items by depository institutions in the United States. (2) Include all currency and coin (any foreign currency and coin that may be held should be converted into U.S. dollar equivalents as of the report date) owned and held in all offices of the reporting institution. In addition, include amounts held in petty cash accounts and change funds in both central and field offices. Also include currency and coin in transit to any depository institution for which the reporting institution has not yet received credit, and currency and coin in transit from any depository institution for which the reporting institution's account at the depository institution has already been charged. (b) Holdings of interest-bearing and noninterest-bearing balances due from depository institutions in the United States and banks in foreign countries, whether in the form of demand, savings, or time balances. Though noninterest-bearing certificates of deposit and nonnegotiable interest-bearing certificates of deposit are to be included in this item, negotiable interest-bearing certificates of deposit are to be reported in Schedule RC-B, item 5(b). (c) Balances of all types, and for all purposes, due from Federal Reserve banks (e.g., funds held at Federal Reserve banks for payment of interest on

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	consolidated and System-wide bonds, purchase of securities, redemption of called consolidated and System-wide bonds, clearing and working balances, etc.) as shown on the books of the reporting institution.
2	**Investments**
2(a)	**Debt securities (net of allowance for credit losses)** Report in item 2(a) the total amount of the institution's debt securities. This item must reconcile with the amounts reported in line item 13 in Schedule RC-B (columns A plus D). (See instructions for Schedule RC-B). Account for debt securities using Accounting Standards Codification (ASC) Topic 320, Investments-Debt Securities .
2(b)	**Equity Investments in System institutions & Farmer Mac.** Report in item 2(b) the amount of the institution's equity investments in other System institutions, service corporations, and Farmer Mac. System institutions and service corporations are defined in the instructions for schedule RC-R.7, line 23. This item must reconcile with the amounts reported in line item 1(e) in Schedule RC-B.4. Account for equity securities using Accounting Standards Codification (ASC) Topic 321, Investments–Equity Securities.
2(c)	**Equity Investments in non-System Institutions.** Report in item 2(c) the amount of the institution's equity investments in non-System institutions. This item must reconcile with the amounts reported in line item 2(f) in Schedule RC.B.4. Account for equity securities using Accounting Standards Codification (ASC) Topic 321, Investments–Equity Securities.
2(d)	**Total investments** Report the sum of items 2(a), 2(b), and 2(c). This represents the carrying value of all debt and equity securities, some of which may be reported at amortized cost and others at fair value, depending on the treatment under GAAP.
3	**Accounts receivable.** Report the amount of the reporting institution's accounts receivable in the form of amounts due on open accounts from other Farm Credit institutions and from others. Also include such receivables as: (a) Amounts of accrued compensation and patronage receivable from Farm Credit institutions due to the reporting institution relating to participations in loans, notes receivable, and sales contracts. (b) Amounts due from employees for reimbursable costs paid under employee retirement and group insurance plans, or for other amounts advanced for which the reporting institution is to be reimbursed. (c) Amounts due from borrowing associations, non-borrowing associations, and district banks for the amount of investment required to be made in the reporting institution's stock or participation certificates, in accordance with FCA regulations and guidelines, for which payment has not yet been received. (d) Amounts due from bonding companies for losses and legal expenses that were covered by bond.

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	(e) Amounts due from courts and trustees in connection with foreclosed properties upon which the reporting institution had a lien and where the foreclosure sale was made to another. All amounts of accounts receivable reported should be net of any amounts deemed uncollectible and charged off.
4	**Loans, notes, sales contracts, and leases.** The amounts reported by the institution, as appropriate for its portfolio and in conformance to the applicable statutory and regulatory requirements, must reflect net principal amounts outstanding as of the close of business on the report date. This requires, among other things, that the reported amounts be net of: (a) All payments on principal received as of the close of business on the report date, including advance payments that are intended for irrevocable application to the reduction of principal, and also such payments received but not yet applied to the loan accounts as of that time; and (b) Undisbursed loan funds (deferred payment of loans) but include loan funds disbursed before the loan closing is recorded. Unamortized loan fees should be deducted from loans in the amounts to be reported here, analogous to the treatment of discounted loans. The treatment of loan fees should be in accordance with ASC Subtopic 310-20, Nonrefundable Fees and Other Costs. The amounts reported must reflect the cost of, or funds extended for, the loans, etc. In the case of loans acquired on a discount basis, the amount to be reported must be the cost adjusted by the addition of the cumulative accretion of discount through the report date. Such accretion of discount must be taken over the life of the instrument in accordance with Generally Accepted Accounting Principles (GAAP).
4(a)	**Accrual loans and leases.** Loans of the reporting institution, in general, consist of extensions of credit, other than sales contracts and other contractual notes representing the financing of other property owned (which are treated below), resulting from either direct negotiation between the reporting institution and its customers, or the purchase of such assets from others through discounting, participations, or any other means. Similarly, loans should be reported net of such loan amounts sold, including sales of participations in these loans to other Farm Credit institutions and to any other financial institution. Loans include the holdings by the reporting institution of its own acceptances (i.e., drafts accepted by the reporting institution) that were acquired through discount, purchase, or participation, but exclude the holdings of other institutions' acceptances (these are to be reported in Schedule RC-B, item 5(c)). Loans consist of the unmatured principal balance of accrual loans made under the authority of the Act. The Act authorizes System banks and associations to make loans to bona fide farmers, ranchers, producers or harvesters of aquatic

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	products, rural residents, and persons furnishing services directly related to the on-farm operating needs of farmers and ranchers. The Act further authorizes Banks for Cooperatives to make loans to eligible cooperatives and to domestic or foreign parties that substantially benefit a cooperative which is a voting stockholder. Farm Credit banks are authorized to make loans, discount for, and extend other similar credit to System associations and other financing institutions making loans to farmers, ranchers, and producers or harvesters of aquatic products. Under the Act, Agricultural Credit Banks have the lending authorities of both the Banks for Cooperatives and Farm Credit banks. In addition, System institutions may participate in loans with other System institutions. The Farm Credit Leasing Services Corporation is authorized to enter into financial leasing agreements. (Note: In some schedules of the Call Report, but not in Schedule RC, loans, etc., are combined with accrued interest receivable.) If an institution buys a portion of an individual loan that is unconditionally guaranteed (100 percent guaranteed) by the USDA or SBA, then the institution must include the loan portion balance in Schedule RC, items 4(a), 4(e), or 6 as appropriate. Lease receivables consist of amounts of receivables established as a result of the institution's financial leasing program. Lease financing transactions have many of the characteristics of other forms of installment loans. A typical lease agreement contains an option providing for purchase of the leased property by the lessee at the expiration of the lease at fair value or at a specified price. Lease receivables must be accounted for in accordance with ASC Topic 840, Leases. Report in this item the amounts outstanding of all holdings of accrual loans and leases in accordance with the preceding instructions.
4(b)	**Notes receivable from other Farm Credit System institutions.** This asset consists of the outstanding balance of notes receivables from Farm Credit banks, associations, or other Farm Credit System institutions. Notes receivable consist of the outstanding balance of short- and long-term corporate notes issued under formal legal procedures and secured by the pledge of specific collateral or by the general credit and good faith of the institution. Accordingly, notes receivable represents a contractual receivable and have definite repayment terms and conditions. Notes are generally interest bearing and the amount extended and recorded is the face amount of the note. In some cases, however, notes are issued on a discount basis and the interest is deducted in advance. Report in this item the amounts outstanding of all holdings of accrual notes receivable from other Farm Credit institutions.
4(c)	**Other notes receivable.** Report in this item the amounts outstanding of all holdings of other accrual notes receivable. Do not include in this item notes receivable from Farm Credit banks, associations, or other System institutions which are reported in item 4(a) above, (except for sales contracts and other contractual notes representing the financing of other property owned that are not reported on item 4(d)).
4(d)	**Accrual sales contracts.** Sales contracts consist of sales contracts to finance notes or other similar contractual agreements specifically entered into for the sale of property

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	acquired through foreclosure or otherwise obtained in liquidation of loans. Amounts reported in this item shall represent all holdings of sales contracts outstanding. Sales contracts entered into by the reporting institution that offer interest rates substantially lower than prevailing market rates must be valued and accounted for in accordance with ASC Topic 835, Interest (formerly Accounting Principles Board (APB) Opinion No. 21, Interest on Receivables and Payables). ASC Topic 835 requires a sales contract bearing an interest rate substantially below market (i.e., not commensurate with the risk involved) to be discounted to its present value. The resulting loss must be recognized at the time of sale and the discount must be amortized over the term of the contract.
4(e)	**Nonaccrual loans, etc.** Nonaccrual loans represent all loans, and contracts and receivables appropriately classified as loans where there is a known risk to the continued collection of principal and interest. In substance, nonaccrual loans reflect loans where the accrual of interest has been suspended. Amounts include unpaid principal and accrued interest receivable plus any other appropriate amounts. (See definition of nonaccrual loans in 12 CFR 621.6(a).) Report in this item all loans, leases, notes receivable, and sales contracts that are in a nonaccrual status as of the close of business on the report date. Loans, etc., must be placed in nonaccrual status in accordance with GAAP, regulatory requirements, and other guidelines. If an institution buys a portion of an individual loan that is unconditionally guar-anteed (100 percent guaranteed) by the USDA or SBA, then the institution must include the loan portion balance in Schedule RC, items 4(a), 4(e) or 6 as appropriate.
4(f)	**Allowance for credit losses on loans, etc.** The allowance for credit losses (ACL) is an estimate of the amount of expected losses within an institution's loan portfolio as of the balance sheet date. The ACL reflects the difference between the amortized cost basis of financial assets and the net amount expected to be collected over the contractual term. It is maintained (added to) by charges against earnings in the form "provisions for credit losses." Credit losses on loans are to be charged off to the allowance when known and under no circumstances shall charge-offs be deferred or amortized over a number of accounting periods. Report in this item Report in this item the allowance for credit losses on loans, leases, notes receivable, sales contracts, and nonaccrual loans as determined in accordance with ASC Topic 326, Financial Instruments-Credit Losses, and other applicable accounting guidance. The amount reported here must equal - Schedule RI-E.2, item 8.
4(g)	**Loan valuation adjustments for fair value.** Report in this item the amount that represents adjustments to value loans outstanding in accordance with ASC Topic 815, Derivatives and Hedging. If the amount represents an adjusted reduction, report the amount with a preceding minus sign.
4(h)	**Net loans, etc.**

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	Report in this item the total of sub-items 4(a) + 4(b) + 4(c) + 4(d) + 4(e) - 4(f) + 4(g). Please note: The amounts reported in item 4 must also exclude accounts receivable, which are to be reported in item 3 of this schedule.
5	**Accrued interest receivable.** Report in the appropriate sub-items of item 5 the reporting institution's accrued interest receivable; that is, interest earned but not yet collected. In the case of loans, etc., or securities that have been sold either directly or in the form of participations, the accrued interest on the instruments so transferred must be reported by the buyer and be excluded from the reported amounts of the seller. In accruing interest, the reporting institution shall use the procedures prescribed by regulation, FCA policy, and GAAP as appropriate.
5(a)	**Accrued interest receivable on loans and finance leases.** Report the amount of accrued interest receivable on loans and leases (as defined under sub-item 4(a) above).
5(b)	**Accrued interest receivable on notes receivable from other Farm Credit System institutions.** Report the amount of accrued interest receivable on notes receivable (as defined under sub-item 4(b) above).
5(c)	**Accrued interest receivable on other notes receivable.** Report the amount of accrued interest receivable on other notes receivable (as defined under sub-item 4(c) above).
5(d)	**Accrued interest receivable on sales contracts.** Report the amount of accrued interest receivable on sales contracts (as defined under sub-item 4(d) above).
5(e)	**Accrued interest receivable on investments.** Report the amount of accrued interest receivable on the investments reported in item 2(d).
5(f)	**Derivatives.** Report the amount of accrued interest receivable on derivatives. Derivative interest receivable and payable positions from the same counterparties may be netted if netting agreements exist.
5(g)	**Total accrued interest receivable.** Enter the total of sub-items 5(a), 5(b), 5(c), 5(d), 5(e) and 5(f).
6	**Loans and leases held for sale.** Report the amount of loans and leases held for sale (LLHS) in accordance with generally accepted accounting practices. LLHS should be reported at the lower of cost or fair value, except for those that the institution has elected to account for at fair value under a fair value option. For LLHS reported at the lower of cost or fair value, the amount by which cost exceeds fair value, if any, should be accounted for as a valuation allowance within this item. Therefore, no allowance for credit losses should be established for LLHS; credit losses and incremental interest rate or liquidity related valuation adjustments should be recognized as a reduction to the recorded loan amount rather than in the allowance. [In addition, origination fees and costs for LLHS are typically capitalized in the basis of the loan, included in the calculation of gains and losses on sale, and recognized in earnings at the time of origination for LLHS recorded at fair value.] All loans and leases reported in this item must also be reported in Schedule RC.1, line 1.i.i. and/or line 1.i.ii.

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7	**Reserved.**
8	**Other property owned.** Other property owned is the collective name for assets of which a System institution has gained possession, usually as the result of foreclosure or the taking of a deed or title in lieu of foreclosure. System institutions may also gain possession of these properties through abandonment of the property by the borrower or other occurrences. (See instructions for Schedule RC-M for additional information.) Report the value, net of depreciation, of foreclosed personal and real property held by the reporting institution at the report date. Amounts reported are to be accounted for in accordance with ASC Topic 606, Revenue from Contracts with Customers, and ASC Subtopic 610-20, Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets, and other applicable accounting guidance. Suitable bases that may serve as measures of fair market value are the bid-in price of the assets and appraised value. The fair market value at the time of acquisition may remain the book value (net of depreciation) of the asset; however, expenditures to complete or improve the property may be capitalized and added to the book value, but only if they are likely to be recovered on disposition. The amounts reported for buildings and equipment, etc., acquired in the liquidation of loans and being operated by the reporting institution for income-producing purposes, must be net of any accumulated depreciation.
9	**Premises and other fixed assets net of depreciation.** Report the acquisition cost to the reporting institution, less accumulated depreciation, of all premises and equipment owned and used by the reporting institution in the conduct of its business. Include construction in progress; costs of improvement and betterment that increase the value of the property; total acquisition cost of the land upon which the premises are built; furniture; fixed machinery and equipment; computer equipment; purchased software; and automobiles and other fixed assets owned by the reporting institution and used in the conduct of its business. Include the proportionate share of the costs of property owned and used jointly.
10	**Other assets.** Report in item 10 any assets that are not appropriately reported in the preceding asset items. This includes, as appropriate for the reporting institution, such items as: (a) Prepaid and deferred expenses. (b) Deferred tax assets (net) in accordance with ASC Topic 740, Income Taxes. (c) Assets held in nonqualified benefit trusts. (d) Pension and other postretirement benefit plan assets. (e) Reserved. (f) Servicing assets in accordance with ASC topic 860.

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	(g) Derivative assets with positive fair values. Derivatives in accordance with ASC Topic 815, Derivatives and Hedging. (h) Right of use assets in accordance with ASC topic 842. (i) Any other assets not specifically provided above.
11	**Total assets.** Report the sum of items 1 through 10 as appropriate. The amount reported here must equal the amount reported for item 25, "Total liabilities and net worth," of this schedule.
Liabilities	
12	**Interest bearing liabilities.**
12(a)	**System-wide notes and bonds outstanding.** Report in this item the par or face amount of the institution's participation in System-wide bonds, medium-term notes, and System-wide notes that have been issued in accordance with the Act and regulations and are outstanding as of the report date. Also, the amount of any unamortized discount or premium and unamortized debt issuance costs related to the institution's participation in System-wide bonds, medium-term notes, and System-wide notes should be reported as a direct deduction from or addition to the face amount of these bonds and notes reported in this item. The accounting for transactions involving the issuance of foreign currency denominated debt (FCDD) shall conform with ASC Topic 830, Foreign Currency Matters, and other authoritative literature governing the accounting for such transactions. ASC Topic 830 generally requires a FCDD transaction to be recorded in U.S. dollars at the exchange rate in effect at the time of issuance. After issuance, any change in the exchange rate is to be reported as an increase or decrease to the amount of debt outstanding. The amount of the increase or decrease is a foreign currency translation gain or loss, which is to be included in income for the period (Schedule RI-B, items 5(a) and 5(b), respectively.) Similarly, at maturity, any resulting currency translation gain or loss is also to be reported in income (Schedule RI-B, items 5(a) and 5(b), respectively.) Accounting for hedges of foreign currency forecasted transactions shall conform with ASC Topic 815, Derivatives and Hedging. Amounts due to and due from brokers or other intermediaries involved in the swap transactions are to be reported as accounts receivables (Schedule RC, item 3) or accounts payables (Schedule RC, item 14.) Discounts and premiums are to be amortized in the income (Schedule RI, item 5(c) and Schedule RI-C.1, item 4, respectively) over the term of an individual swap transaction. A change in the exchange rate is to be reported as an increase or decrease in the amount due to or due from the broker. The amount of the increase or decrease represents a gain or loss which is to be reported in income for the reporting period (Schedule RI-B, items 5(a) and 5(b), respectively.)
12(b)	**Notes payable to other Farm Credit System institutions.** Report in this item the face amount of notes payable to other Farm Credit System institutions that are outstanding as of the report date. Also, the amount, if any, of the unamortized discount or premium and unamortized debt issuance costs related to these notes should be reported as a direct deduction from or addition to the face amount of these notes. A reporting institution that

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	is a direct lender association is to report the amount of its direct note with the district bank in this item.
12(c)	**Limited-life (term) preferred stock.** Report the amount of outstanding limited-life (term) preferred stock including any amounts received in excess of its par or stated amounts. This limited-life (term) preferred stock is not held by another FCS bank or association. Term preferred stock is any class of capital stock that has a stated maturity date and provides the investor with some preference relative to other classes of capital stock with respect to the payment of dividends, in the event of bankruptcy or liquidation, or some other feature. Limited-life (term) preferred stock is an interest-bearing liability.
12(d)	**Subordinated notes and bonds.** Report the amount of subordinated notes and debentures. Include the fair value of subordinated notes and debentures that are accounted for at fair value under a fair value option. Note that prior to January 1, 2017, IBLSUBNOTEBOND included both subordinated notes and bonds and limited-life (term) preferred stock).
12(e)	**Other interest-bearing debt.** Report in this item the par or face amount of other bonds, notes payable, and other interest-bearing debt that are outstanding as of the report date. Include in this item the par or face amount of any Farm Credit investment bonds outstanding. Also, the amount, if any, of the unamortized discount or premium and unamortized debt issuance costs related to these bonds and notes should be reported as a direct deduction from or addition to the face amount of these bonds and notes. Funds Held amounts that bear interest expense (and are not required to be accounted for as an offset to loans or some other assets) should be reported in this item. Non-interest bearing Funds Held amounts should be reported as Other Liabilities.
12(f)	**Debt adjustment for fair value.** Report in this item the amount that represents adjustments to value interest bearing debt outstanding in accordance with ASC Topic 815, Derivatives and Hedging. If the amount represents an adjusted reduction, report the amount with a preceding minus sign.
12(g)	**Total interest-bearing liabilities.** Report in this item the sum of items 12(a) + 12(b) + 12(c) + 12(d) + 12(e) + 12(f).
13	**Accrued interest payable.** Report in the appropriate sub-items of item 13 the accrued interest payable on the reporting institution's interest-bearing liabilities as reported in items 12(a), 12(b), 12(c), 12(d) and 12(e). In accruing interest, the reporting institution shall use procedures prescribed by regulations, FCA guidelines, and GAAP as appropriate.
13(a)	**Accrued interest payable on System-wide notes and bonds outstanding.** Report the amount of accrued interest payable on System-wide bonds, medium-term notes, and System-wide notes (as corresponds to item 12(a) above).
13(b)	**Accrued interest payable on notes payable to other Farm Credit System institutions.**

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	Report the amount of accrued interest payable on notes payable to other Farm Credit System institutions (as corresponds to item 12(b) above).
13(c)	**Accrued interest payable on: Limited-life (term) preferred stock.** Report the amount of accrued interest payable on limited-life (term) preferred stock (as corresponds to item 12(c) above). Note that prior to January 1, 2017, the existing AIPSUBNOTEBOND data element included accrued interest on both subordinated notes and bonds and limited-life (term) preferred stock.
13(d)	**Accrued interest payable on subordinated notes and bonds.** Report the amount of accrued interest payable on subordinated notes and bonds (as corresponds to item 12(d) above).
13(e)	**Derivatives.** Report the amount of accrued interest payable on derivatives (as corresponds to item 5(f) above). Derivative interest receivable and payable positions from the same counterparties may be netted if netting agreements exist.
13(f)	**Accrued interest payable on other interest-bearing debt.** Report the amount of accrued interest payable on other interest-bearing debt (as corresponds to item 12(d) above).
13(g)	**Total accrued interest payable.** Report in this item the sum of sub-items 13(a) through 13(f).
14	**Accounts payable.** Report in this item the institution's accounts payable in the form of amounts due on open account to other Farm Credit institutions and to others, including trade payables and other payables related to the business operations of the reporting institution. Include, among others, such payables as: (a) Amounts of accrued compensation payable to other Farm Credit institutions and to other lenders for services rendered to the reporting institution connected with participations in loans, notes receivable, and sales contracts purchased by the reporting institution from these other lending institutions. (b) Actual or estimated liability for Federal and other taxes on the income of the reporting institution. (c) Sales taxes payable. (d) Undistributed dividends on stock and participation certificates declared and payable. (e) Undistributed patronage refunds payable in cash. (f) Amount of capital stock and allocated surplus called for retirement and not yet paid. (g) Insurance premiums payable. (h) Liability for required stock investments in other Farm Credit institutions for which payment has not yet been made. Exclude from accounts payable any liabilities in the form of trust accounts or es-crow accounts, holding accounts, etc., representing funds collected by, or deposited with, the reporting institution for particular purposes and not yet disbursed. Such liabilities are to be reported in Schedule RC, item 16, "Other liabilities."

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15	**Reserve for credit losses on off-balance sheet exposures.** Each reporting institution must report in item 15 its reserve for credit losses on off-balance sheet exposures, including its reserve for losses on unfunded commitments.
16	**Other liabilities.** Report in this item any liabilities that are not appropriately reported in the preceding liability items. This includes, as appropriate for the reporting institution, such items as: (a) Deferred income. (b) Net deferred taxes. (c) Liabilities held in nonqualified benefit trusts. (d) Accrued salaries and benefits. (e) Pension and other postretirement benefit plans. (f) Servicing liabilities in accordance with ASC topic 860. (g) Lease liabilities in accordance with ASC topic 842. (h) Any other liability not specifically provided for above.
17	**Total liabilities.** Report the sum of items 12 through 16.
Net Worth	
18	**Capital stock.** Report in this item all: (1) capital stock and participation certificates purchased by a member-borrower and (2) allocated capital stock held by member-borrowers. Report amounts that are both protected as well as unprotected under section 4.9A, "Protection of Borrower's Stock," of the Act. Member-borrowers purchase a required amount of capital stock and participation certificates as a condition of obtaining a loan and becoming a member. Member-borrowers may receive allocated capital stock from an institution through a patronage refund program. When an institution’s board declares a patronage refund to its member-borrowers it may distribute capital (usually net income) in three forms: cash, equity (stock or surplus), or both. Allocated capital stock represents that portion of a patronage refund distributed to the member-borrowers through a written notice of allocation, that the institution retains as equity for the benefit of the membership. The amount reported should equal the sum of Schedule RI-D, line 12 column A and B.
19	**Perpetual preferred stock.** Report in this item the amount of perpetual preferred stock outstanding at the institution. The term “perpetual” in the type of preferred stock means this form of preferred stock has no defined maturity date and as a result is reported as equity under GAAP. Include in this line item all preferred stock that has no maturity date. For example, this will include noncumulative perpetual preferred stock, cumulative perpetual preferred stock, and “continuously redeemable” preferred stock (H or Harvest). Limited-life preferred stock has a stated maturity date and as a result is reported as a liability under GAAP.

<table>
<tr><th>Item No.</th><th>Caption and Instructions</th></tr>
<tr><td>20</td><td>Paid-in capital.
Report the amount of outstanding paid-in capital, surplus, etc. (other than capital stock) that either has been provided by member-borrowers, Farm Credit institutions, and others or has been accumulated by other transactions that are appropriately accounted for as paid-in capital. The most common transaction resulting in paid-in capital is amounts paid in excess of par for the institution's capital stock when issued. Amounts representing financial assistance from other Farm Credit institutions in the form of paid-in surplus are to be reported on this line.</td></tr>
<tr><td>21</td><td>Allocated Surplus.
Report in this item the amount of allocated surplus held by member-borrowers in an institution. This equity investment is not purchased as a condition of attaining a loan, but instead allocated to the member-borrower through a patronage refund program. Report amounts that are both protected as well as unprotected under section 4.9A, "Protection of Borrower's Stock," of the Act.

When an institution’s board declares a patronage refund to its member-borrowers it may distribute capital (usually net income) in three forms: cash, equity (stock or surplus), or both. Allocated surplus represents that portion of a patronage refund distributed to the member-borrowers through a written notice of allocation, that the institution retains as equity for the benefit of the membership.

This line item includes the following allocated surplus:
1. qualified allocated surplus, and
2. nonqualified allocated surplus.
    a. Retireable, or
    b. Not retireable.</td></tr>
<tr><td>22</td><td>Unallocated retained earnings.
Report in this item unallocated retained earnings (including undistributed earnings or losses).

Unallocated retained earnings represent the accumulation of net earnings since the institution’s inception. The Institution has unrestricted use of this capital since the board of directors did not allocate this capital to any member-borrowers. Include in unallocated retained earnings any “attributed” or “memo” surplus in which the institution has assigned to members without providing a written notice of allocation prescribed in Subchapter T of the Internal Revenue Code.

A board of directors may change these assignments up to the day of liquidation or dissolution; hence the reason “attributed” or “memo” surplus is part of unallocated retained earnings.

Also, report the amount in this item any earned surplus (allocated surplus and unallocated retained earnings), not reported elsewhere, that is required to be reserved and maintained due to statutory requirements by the Act, FCA Regulations, and reporting institutions bylaws including any amounts set aside permanently for a specific purpose as a contingency reserve.</td></tr>
</table>

Item No.	Caption and Instructions
	The amount reported in this item specifically excludes allocated stock or allocated surplus and the payment or accrual of cash dividends and patronage. Record equity allocations from unallocated retained earnings as a transfer to either allocated capital stock or some form of allocated surplus (see Schedule RI-D instructions). Record the accrual of cash distributions until paid as a payable (see Schedule RC- Balance Sheet instructions). If it clearly the intuition's plan to allocate its earnings as stock or surplus at year-end or to make other cash distributions (dividends or patronage); accruals for such allocations, or distributions should be reported quarterly in the Call Report. Quarterly accruals for patronage must be made under the "accrual method" prescribed in the ASC Subtopic 905-310-25 (formerly AICPA's Statement of Position (SOP) 85-3, Accounting by Agricultural Producers and Agricultural Cooperatives. Under this SOP, institutions must accrue, on a timely basis (at least quarterly), patronage refunds expected to be paid when (1) it's probable that a patronage refund applicable to the period will be declared, (2) the patronage refund amount can be reasonably estimated, and (3) the accrual can be consistently made from year to year.
23	**Accumulated other comprehensive income (net).** Report the amount from Schedule RC-H, item 1(f), "Accumulated other comprehensive income."
24	**Total net worth.** Report the sum of items 18 thru 23.
25	**Total liabilities and net worth.** Report the sum of items 17 and 24. The amount reported here must equal the amount reported in line item 11, "Total assets."

Schedule RC.1: Memoranda

Line-Item Instructions

Item No.	Caption and Instructions
1	**Loan information.** Report the following information on the institution's loan portfolio:
1(a)	**Loan types.** Each of the following loan types includes the amount of all loans, notes, and lease receivables that are outstanding (principal and interest), including net participations. Loans made to similar entities under the authorities of § 613.3300 should be included in the respective category where the "functionally similar" loans are reported. For example: • Similar entity transactions entered into by CoBank to entities that are functionally similar to agricultural cooperatives would be included in the category "Loans to Cooperatives" sub-group.

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	• Similar entity transactions entered into by CoBank to entities that are functionally similar to directly eligible energy borrowers would be reported in the "Energy" category. • Similar entity transactions entered into by Farm Credit banks or associations to entities that are functionally similar to farm related businesses would be reported in the "Farm related business" sub-group. Banks and associations purchasing loan participations from other FCS lenders should report them in the same category as the "lead" FCS lender. Multiple purpose transactions should be reported under the loan type that represents the largest dollar volume of principal outstanding. For Call Reporting purposes, loans are categorized by 9 types, with additional breakout of two categories into sub-groups and a separate category for lease financing. The loan type categories and sub-groups are defined below.
1(a)(i)	**Production agriculture.** The production agricultural category is defined to include loans that consist of extensions of credit for mortgages, operating funds, and equipment financing used for agricultural and aquatic production and harvesting purposes.
1(a)(i)(A)	**Real estate mortgage.** Long term real estate loans and notes receivable made to borrowers pursuant to § 613.3000 and under the authorities of § 614.4030(a), and § 614.4050(a). Generally, the loan purpose is to purchase farm real estate, refinance existing mortgages, or construct various facilities used in operations.
1(a)(i)(B)	**Production and intermediate term.** Loans and notes receivable made to borrowers pursuant to § 613.3000 and under the authorities of § 614.4040(a), and § 614.4050(b). Generally, the loan purpose is for operating funds and equipment.
1(a)(ii)	**Agribusiness.** Agribusiness loans consist of loans made to cooperatives and their subsidiaries, farm related businesses, and processing and marketing entities.
1(a)(ii)(A)	**Loans to cooperatives.** Loans and notes receivable made to borrowers pursuant to § 613.3100(b) and under the authorities of § 614.4010(d). Include loans for any cooperative purpose other than for communication, or energy and water/waste disposal. Institutions that participate with the ACB in loans to cooperatives should report their portion of the loan in this category, if the ACB has reported the loan as a loan to cooperative.
1(a)(ii)(B)	**Processing and marketing.** Loans and notes receivable made to borrowers pursuant to § 613.3010 for any marketing and processing purpose and under the authorities of § 614.4030(a), § 614.4040(a), and §§ 614.4050(a) and (b). To the extent that loans made to similar entities are included in the processing and marketing loan type as required by the line item instructions in 1(a), such loans shall be reported under item 1a(ii)(B)(1), "Loans made under 613.3010(a)(1) and (a)(2)."

Item No.	Caption and Instructions
1(a)(ii)(B)(1)	**Loans made under 613.3010(a)(1) and (a)(2).**
1(a)(ii)(B)(2)	**Loans made under 613.3010(a)(3).**
1(a)(ii)(B)(3)	**Loans made under 613.3010(a)(4).**
1(a)(ii)(B)(4)	**Loans made under 613.3010(a)(5).**
1(a)(ii)(B)(5)	**Total Processing and Marketing Loans.** Report in this item the sum of sub-items 1a(ii)(B)(1) through 1a(ii)(B)(4).
1(a)(ii)(C)	**Farm related business.** Loans and notes receivable made to borrowers pursuant to § 613.3020 for any farm related business purpose and under the authorities of § 614.4030(a), § 614.4040(a), and §§ 614.4050(a) and (b).
1(a)(iii)	**Communication.** Loans and notes receivable made to borrowers pursuant to § 613.3100(c) for any telecommunication purposes and under the authorities of § 614.4010(d).
1(a)(iv)	**Energy.** Loans and notes receivable made to borrowers pursuant to § 613.3100(c) for any rural electric purpose and under the authorities of § 614.4010(d).
1(a)(v)	**Water/waste disposal.** Loans and notes receivable made to borrowers pursuant to § 613.3100(d) for any water/waste disposal purpose and under the authorities of § 614.4010(d).
1(a)(vi)	**Rural residential real estate.** Loans and notes receivable made to borrowers pursuant to § 613.3030 for any rural home purpose under the authorities of § 614.4030(a), § 614.4040(a), and §§ 614.4050(a) and (b).
1(a)(vii)	**International.** Loans and notes receivable made to borrowers pursuant to § 613.3200 for any international business operations purpose and under the authorities of § 614.4010(d).
1(a)(viii)	**Lease receivables.** Finance leases made under regulatory authorities. Report the net investments for all finance leases where the reporting institution is the lessor. The net investment for all finance leases (i.e., direct financing leases, leveraged leases, and sales-type leases) should correspond to the amount of finance leases included in Schedule RC, items 4(a), 4(d), and 4(e), as applicable. Except, the Farm Credit Leasing Services Corporation should report both finance and operating lease receivables and assets consistent with its reporting of these leases on schedule RC, items 4(a), 4(d), and 4(e), as applicable.
1(a)(ix)	**Direct loans to associations (FCBs and ACB only).** Report the amount of direct loans made by the FCB or the ACB to System associations and still outstanding at the report date under the authorities of § 614.4000(b) and § 614.4010(b).
1(a)(x)	**Discounted loans to OFIs (FCBs and ACB only).** Report the total outstanding balance of all loans to OFIs with which the bank currently has a lending relationship under the authorities of § 614.4000(c) and § 614.4010(c).
1(a)(xi)	**Other loans.** Report the amount of loans outstanding that do not fall into the categories that are listed above (items 1(a)(i) through 1(a)x)). Pools of loans cannot

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	be reported in "Other loans" without first segregating loan components of the pools by categories. Loans that fall into one of the categories 1 (a)(i) – 1(a)(x) described above must be reported in their respective categories accordingly. Remaining loans in the pools that have been identified but do not fit into any of the categories described above will then be reported in "Other Loans". "Other Loans" may include, but are not limited to, mission related investments that are reported as loans but do not specifically fit into any of the categories describes in 1(a)(i) – 1(a)(x). The amount reported in "Other Loans" should be immaterial in relation to the amount reported in 1(a)(xii) "Total". Any amount reported in this category must be explained in an addendum.
1(a)(xii)	**Total loans.** Report the sum of items 1(a)(i) thru 1(a)(xi). The amount reported here must equal the sum of Schedule RC, items 4a thru 4e plus items 5a thru 5d.
1(b)	**Leases.** Report the appropriate amounts in sub-items of item 1(b) that represent the reporting institution's net investments for finance leases and net receivables for operating leases. Report only those lease amounts where the reporting institution is the lessor, which would exclude participations. All leases are to be accounted for by the reporting institution in accordance with ASC Topic 840, Leases, and other authoritative FASB guidance.
1(b)(i)	**Finance.** Report the outstanding amount of net investments for all finance leases (i.e., direct financing leases, leveraged leases, and sales-type leases). The amount reported should correspond to the amount of finance leases included in Schedule RC, item 4(a), 4(d), and 4(e), as applicable where the reporting institution is the lessor, which would exclude participations.
1(b)(ii)	**Operating–receivables.** Report the outstanding net receivable amount that represents lease payments due for all operating leases. The amount reported should correspond to the amount of net receivables for operating leases included in Schedule RC, item 10 (except for the Farm Credit Leasing Services Corporation, which should continue to report all lease assets in schedule RC item 4(a), 4(d), and 4(e), as applicable). Do not report in this item the book value of equipment or other leased items that represent the fixed assets being leased by the reporting institution under an operating lease arrangement and reported in sub-item 1(b)(iii) below.
1(b)(iii)	**Operating–assets.** Report the net amounts outstanding that are recorded as fixed-asset assets for all operating leases. The amounts reported should correspond to the net amounts recorded as fixed asset amounts included in Schedule RC, item 9 (except for the Farm Credit Leasing Services Corporation, which should continue to report all lease assets in schedule RC item 4(a), 4(d), and 4(e), as applicable). Do not report in this item the amounts that represent outstanding receivables due to the reporting institution under an operating lease arrangement and reported in sub-item 1(b)(ii) above.
1(c)	**Loan syndication to eligible borrowers (excluding similar entity transactions).** Report the gross outstanding amount (principal and interest) of loan syndication transactions (exclude syndication leases) where the institution

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	has a direct contractual relationship with an eligible borrower. The 'gross' amount should not be reduced by any subsequent participation sales. These are loan syndication transactions made under the institution's direct lending authorities in Part 614, Subpart A of the FCA regulations and in which the institution was involved in the original contracts for the transaction. Do not include amounts that represent an assignment of interest in loan syndications, which instead should be reported on Schedule RC-O, Asset Purchases and Sales. Do not include loan syndication transactions entered into under the similar entity and secondary market authorities of § 613.3300 and § 614.4910 of the FCA regulations.
1(d)	**Guarantees.**
1(d)(i)	**Federal.** Report the gross outstanding amount of loans (book value) that are guaranteed by a U.S. Government agency. The amount reported should be principal only, net of participations sold, and include both the guaranteed and unguaranteed portions of the loan. Examples of U.S. Government agencies are the Small Business Administration, Federal Housing Administration, or any USDA agency such as the Farm Service Agency, Rural Business-Cooperative Service, Rural Utilities Service, Rural Housing Service, and foreign export guarantee programs of USDA. Do not include guarantees provided by the Federal Agricultural Mortgage Corporation (Farmer Mac).
1(d)(ii)	**State and Local.** Report the gross outstanding amount (principal only) of loans that are guaranteed by a state or local government agency. The amount reported should be principal only, net of participations sold, and include both the guaranteed and unguaranteed portions of the loan.
1(d)(iii)	**Farmer Mac.** Report the gross outstanding amount (principal only) of loans that are guaranteed by Farmer Mac. The amount reported should be principal only, net of participations sold, and include both the guaranteed and unguaranteed portions of the loan.
1(d)(iv)	**Other.** Report the gross outstanding amount (principal only) of loans that are guaranteed by an entity not explicitly covered by one of the above categories, such as loans guaranteed by a Government-sponsored enterprise other than Farmer Mac.
1(e)	**Other financial institutions (OFIs).** The following items on OFIs are intended for banks only.
1(e)(i)	**Number of OFIs.** Report the number of OFIs with which the bank currently has a lending relationship.
1(e)(ii)	**Number of loans to OFIs.** Report the total number of loans that the bank currently has outstanding to OFIs. Loans that a bank has individually discounted are to be counted as separate loans for reporting purposes.
1(f)	**Association loans outside its chartered territory.** Any loan originated by the institution in which the borrowing entity is headquartered outside of the association's chartered territory should be reported. If the farming operation is based from the individual's home

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	residence, the headquarters would be the individual's residence location. Loan participations purchased from outside the association's chartered territory would not be reported.
1(f)(i)	**Number of loans outstanding.** Report the number of loans currently outstanding to members that are headquartered outside of the association's chartered territory.
1(f)(ii)	**Number of loans made.** Report the number of loans originated during the reporting period to members that are headquartered outside of the association's chartered territory.
1(f)(iii)	**Amount of loans outstanding.** Report the total outstanding balance (gross principal and interest) of all loans to members that are headquartered outside of the association's chartered territory.
1(f)(iv)	**Amount of loans made.** Report the total outstanding balance (gross principal and interest) of all loans originated during the reporting period to members that are headquartered outside of the association's chartered territory.
1(g)	**Loans in bankruptcy and/or foreclosure.**
1(g)(i)	**Total amount of loans in bankruptcy.** Report the amount of the institution's total outstanding balance (principal and interest) of all loans in bankruptcy at the report date. A loan shall be considered, and reported, in bankruptcy if the reporting institution has received notice that a petition has been filed with a court of competent jurisdiction by or against the borrower under any chapter of the Federal Bankruptcy Act or similar State statute. A loan shall remain "in bankruptcy" for reporting purposes until the court's jurisdiction is terminated or relief from the automatic stay is granted that permits collection to proceed fully, and a detailed analysis of the loan supports a reclassification. Such analysis shall consider all pertinent factors and shall be well documented.
1(g)(ii)	**Total amount of loans in foreclosure.** Report the amount of the institution's total outstanding balance (principal and interest) of all loans in foreclosure at the report date. A loan shall be considered and reported, in foreclosure if the reporting lender has authorized initiation of proceedings under State law or deed of trust to terminate the borrower's right in any property in which the lender has a security interest. If the reporting lender has received notice that a third party has initiated proceedings under State law or deed of trust to terminate the borrower's right in any property in which the lender has a security interest, the lender shall promptly review the potential impact of the third-party actions and classify, and report, the loan accordingly. The review shall consider all pertinent factors and be well documented in the loan file.
1(g)(iii)	**Total amount of loans in both bankruptcy and foreclosure.** Report the amount of the institution's total outstanding balance (principal and interest) of all loans in both bankruptcy and foreclosure at the report date.
1(h)	**FCS institution loans purchased from the FDIC.** Farm Credit institutions with direct lending authority shall report in these subitems the number and amount of loans purchased from the Federal

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	Deposit Insurance Corporation (FDIC), pursuant to the authorities provided in § 614.4070(d) and § 614.4325(b).
1(h)(i)	**Number of loans outstanding purchased from the FDIC.** Report the number of loans outstanding purchased from the FDIC, pursuant to the authorities provided in § 614.4070(d) and § 614.4325(b).
1(h)(ii)	**Amount of loans outstanding purchased from the FDIC.** Report the total outstanding balance (gross principal and interest) of all loans purchased from the FDIC pursuant to the authorities provided by § 614.4070(d) and § 614.4325(b).
1(i)	**Loans and leases held for sale.** Report the amount of amortized cost and fair value of loans and leases held for sale in the line items below.
1(i)(i)	**Amortized cost.** Report amortized cost of the loans and leases reported on Schedule RC, line item 6, loans and leases held for sale.
1(i)(ii)	**Fair value.** Report fair value of the loans and leases reported on Schedule RC, line item 6, loans and leases held for sale. When the fair value option is elected, amounts reported in this item should agree with Schedule RC, line item 6, loans and leases held for sale.
2	**Reserved.**
3	**Reserved.**
4	**Miscellaneous.** Report in these sub-items the requested miscellaneous information.
4(a)	**Farm Credit investment bonds outstanding.** Report in this item the par or face amount of the institution's participation in Farm Credit investment bonds outstanding as of the report date net of any unamortized discount or premium related to these bonds.
4(b)	**Investments in farmers' notes.** Report in this item the gross amount outstanding (principal and interest) of the institution's investments in notes and other obligations evidencing purchases of items that are of a capital nature and that the institution purchased from cooperatives or private dealers under the authorities in § 615.5172.
4(c)	**Funds held (VAP and VACP accounts):**
4(c)(i)	**Total amount held in accounts.** Report the total aggregate amount outstanding at the end of the period of funds held in the form of voluntary advance payment and voluntary advance conditional payment accounts maintained in accordance with the Farm Credit Act of 1971, as amended, and 12 CFR 614.4175). Note: Loan amounts held for future disbursement, such as amounts to be disbursed on construction loans, are not to be included in this line item. Funds Held means advance payments held for loans, leases, or other amounts due regardless of whether the assets are classified accrual or nonaccrual. Funds received that represent proceeds from insurance claims that are being held as an advance payment are to be reported in this item.
4(c)(ii)	**Amount in excess of loan balance.** Report the portion outstanding at the end of the period of funds held in the form of voluntary advance payment and voluntary advance conditional

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	payment accounts maintained in accordance with the Farm Credit Act of 1971, as amended, and 12 CFR 614.4513(a) that are in excess of their respective outstanding loan balances (principal and interest) due from the borrower. Any undisbursed loan commitments are not to be included in the calculation of the "Loan Balance Outstanding due from the borrower."
4(d)	**Notes payable/direct loan to district bank (ACAs and FLCAs only).** Report the amount of the System association's note payable outstanding (principal and interest payable) at the end of the period in the form of a direct loan from its respective district bank.
4(e)	**Farm Credit System Insurance Corporation premium payable.** Report the amount of the payable outstanding at the end of the period to the Farm Credit System Insurance Corporation for premium assessments.

4(f)	**Aggregate amount of institution's 10 largest loan commitments** Report the total loan commitments, per 12 CFR 614.4350 and 4358, of the institution's 10 largest loan commitments. Per 12 CFR 614.4358(a)(3), loan commitments should include loans attributed to a borrower in accordance with 12 CFR 614.4359. The attributed loan commitments should then be used to identify the institution's 10 largest loan commitments, as follows:
	
	(1) Generate a list of the institution's largest loan commitments by attributable borrower (including co-borrowers and guarantors, as applicable), sorted from largest to smallest (this list likely needs to cover more than the 10 largest accounts to facilitate steps 3 and 4 below).
	(2) Determine if any loan is included in more than one attributed account on the list. If yes, then proceed to step 3; if not, then report the total of the 10 largest attributed loan commitments from the list.
	(3) Calculate an adjusted commitment amount for the attributed accounts that have a loan in common by including the common loan(s) only once – include with the largest attributed account and subtract from the other(s). In cases where there are multiple common loans affecting different combinations of attributed accounts, institutions should apply judgment or a standardized process in determining the appropriate order for identifying the "largest" account and making the necessary adjustments so that loans are not double-counted.
	(4) Sort the list based on these adjusted commitment amounts, which may cause accounts that were initially in the 10 largest to now be replaced by other accounts; report the total of the 10 largest attributed loan commitments based on the adjusted amounts.
	
	The following provides additional information and clarifications for reporting this line item:
	
	• 12 CFR 614.4358(b) identifies items that are to be netted out from the loan commitment amount, including the following more common items (if specifically identified criteria are met):
	    o Participations sold
	    o Government guaranteed loans (guaranteed portion)
	    o Federal Agricultural Mortgage Corporation (Farmer Mac) standby commitments

Item No.	Caption and Instructions
	• Future payment funds/advance payment accounts should not be netted out when identifying total loan commitment. While this may cause the total loan commitment to be overstated in some cases, it will simplify the calculation process. • Adjustments for miscellaneous items such as escrows, unapplied receipts, loan fees, etc. are optional. Each institution can decide, based on their accounting and reporting systems, whether to adjust the commitment amount for items such as these. • Direct loans to associations and OFIs are not included in this calculation. Note: Institutions should be prepared to provide examiners with supporting documentation for the attribution process and all adjustments made under steps 1 through 4 above.
5	**Lending and leasing limit base.** Report in this section the components on the regulatory lending and leasing limit base as defined in 614.4351. This base equals Total Regulatory Capital plus any eligible third-party capital that was excluded from Total Regulatory Capital pursuant to 628.23. This lending and leasing limit base uses amounts as of quarter-end. This lending limit base is effective for the month after this quarter-end.
5(a)	**Total regulatory capital quarter-end amount.** Report the quarter-end amount of Total Regulatory Capital. Total Regulatory Capital is defined at § 628.2. This item equals Schedule RC-R.1, item 5(b).
5(b)	**Eligible excess third-party capital above regulatory capital limits.** Report the quarter-end amount of third-party capital that was excluded from Total Regulatory Capital pursuant to 628.23 because it exceeds third-party capital limits.
5(c)	**Lending and leasing base** Report the sum of items 5(a) and 5(b). This represents the regulatory lending and leasing limit base as defined in 614.4351 and not the actual lending and leasing limit. For most System institutions, the lending and leasing limit equals 15 percent of the lending and leasing limit base. This limit is effective for the month after this quarter-end.

Schedule RC-B: Debt Securities (excluding investments in Farm Credit institutions and diversified investment funds)

General Instructions

Schedule RC-B includes all assets reported on the balance as debt securities. Any outstanding debt securities purchased under the Mission-Related Investments Pilot Program that ended in 2014 should also be reported here. The line items in this schedule call for information to be reported by specific type of security. The information required on each type of security is specified by the four columns of the schedule. Information on this schedule should be reported in accordance with the following instructions, which is intended to be consistent with generally accepted accounting principles. Exclude accrued interest.

This schedule excludes equity investments.

Column Instructions

Column	Caption and Instructions
A	**Held-to-maturity—Amortized cost.** In column A, report the amortized cost of securities classified as held-to-maturity. For securities purchased at other than par or face value, the amortized cost to be reported is the cost of the securities purchased, adjusted for amortization of premium over the par or face value, and for the accretion of discount from the par or face value. See Glossary for amortized cost basis definition.
B	**Held-to-maturity—Fair value.** Report in this column the fair value of holdings of securities classified as held-to-maturity, as authorized by regulation, as of the close of business on the report date. See Glossary for fair value definition. The fair value of securities held-to-maturity should be determined, to the extent possible, by timely reference to the best available source of current market quotations or other data on relative current values. For example, securities traded on national, regional, or foreign exchanges or in organized over the counter markets should be valued at the most recently available quotation in the most active market. Holdings of securities held-to-maturity for which no organized market exists should be valued using "level 2" or "level 3" inputs, as outlined in the fair value hierarchy in ASC Topic 820 Fair Value Measurement. Quotations from brokers or others making markets in securities that are neither widely nor actively traded are not acceptable. The fair values of securities with derivative hedges should be reported in accordance with ASC Topic 320, Investments-Debt Securities, and with ASC Topic 815, Derivatives and Hedging.
C	**Available-for-sale—Amortized cost.** In column C, report the amortized cost of securities classified as available-for-sale. For securities purchased at other than par or face value, the amortized cost to be reported is the cost of the securities purchased, adjusted for amortization of premium over the par or face value, and for the accretion of discount from the par or face value. See Glossary for amortized cost basis definition.
D	**Available-for-sale—Fair value.**

Column	Caption and Instructions
	Report in this column the fair value of holdings of securities classified as available-for-sale, as authorized by regulation, as of the close of business on the report date. See Glossary for fair value definition. The fair value of securities available-for-sale should be determined, to the extent possible, by timely reference to the best available source of current market quotations or other data on relative current values. For example, securities traded on national, regional, or foreign exchanges or in organized over the counter markets should be valued at the most recently available quotation in the most active market. Holdings of securities available-for-sale for which no organized market exists should be valued using "level 2" or "level 3" inputs, as outlined in the fair value hierarchy in ASC Topic 820. Quotations from brokers or others making markets in securities that are neither widely nor actively traded are not acceptable. The fair values of securities with derivative hedges should be reported in accordance with ASC Topic 320, Investments-Debt Securities, and with ASC Topic 815, Derivatives and Hedging.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Securities fully and unconditionally guaranteed by the U.S. Government or a U.S. Government agency.** All securities of the U.S Government or a U.S. Government agency as an instrumentality of the U.S. Government are fully guaranteed as to the timely payment of principal and interest by the by the full faith and credit of the U.S. Government in Schedule RC-B, items 1(a) through 1(c). Securities that are conditionally or only partially guaranteed by the U.S. government should not be reported in this section.
1(a)	**Treasury securities.** Report in the appropriate columns the amortized cost and fair value of all holdings of U.S. Government (Treasury) securities (but not the obligations of a U.S. Government agency, which are to be reported in Schedule RC-B, item 1(d) below). Include all Treasury bills, certificates of indebtedness, notes, and bonds, including those issued under the Separate Trading of Registered Interest and Principal of Securities (STRIPS) program. However, exclude from this line all obligations of U.S. Government agencies, any detached Treasury security coupons and ex coupon Treasury securities (other than those issued by the Treasury under the STRIPS program) resulting from stripping by anyone other than the Treasury and held as the result of either the reporting institution's having purchased them from others or having stripped them itself. Holdings of detached Treasury coupons and ex coupon Treasury securities (other than STRIPS) are to be reported on Schedule RC-B, item 11(a), "Domestic debt securities."
1(b)	**SBA securities.**

Item No.	Caption and Instructions
	Report in the appropriate columns the amortized cost and fair value of all securities issued or unconditionally guaranteed by the Small Business Administration (SBA). Lenders may purchase the guaranteed portion of SBA loans from the secondary market. SBA grants those buyers (holders) of the guaranteed portions of SBA loans an unconditional guarantee on such loans. The holder may also assign these unconditionally guaranteed SBA loans to other buyers or loan poolers. Many loan poolers accumulate the SBA unconditionally guaranteed loan assignments into loan pools and then create securitizations (securities). In turn, SBA fully and unconditionally guarantees the loan securitizations (securities). Examples of the underlying loan pools or loans packaged into these securities may include: SBA section 7(a) and 504 loans. Securities that are conditionally or only partially guaranteed by the SBA should not be reported in this line item and instead should be reported in line 11 "Other Types of Debt Securities."
1(c)	**Reserved.**
1(d)	**Other U.S. Government and Agency securities (excluding MBSs).** Report in the appropriate columns the amortized cost and fair value of all other types of holdings of U.S. Government agency obligations that are fully insured guaranteed as to the timely payment of principal and interest by the by the full faith and credit of the U.S. Government. Include securitized USDA-guaranteed loans (do not include USDA securitizations issued by Farmer Mac or purchases of individual loans that have not been securitized). Non-MBS securities that are conditionally or only partially guaranteed by the U.S. government should not be reported in this line item and instead should be reported in line 11 "Other Types of Debt Securities."
2	**Securities fully and unconditionally guaranteed by a Government-sponsored enterprise (GSE) (excluding MBS and Farmer Mac securities).** Report in the appropriate columns the amortized cost and fair value of obligations (including bonds, notes, and debentures) that are fully and unconditionally guaranteed by a GSE, such as the Federal National Mortgage Association (FNMA or Fannie Mae) or the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). Securities that are conditionally or only partially guaranteed by a GSE should not be reported in this line item and instead should be reported in line 11, "Other Types of Debt Securities." Mortgage-backed securities and Farmer Mac securities should also be excluded from this line item as they are reported later in this schedule.
3	**Municipal securities.** Report in the appropriate columns any debt obligation issued by a State, the District of Columbia (DC), the Commonwealth of Puerto Rico, a territory or possession of the United States, or a political subdivision that possesses general powers of taxation, including property taxation. Examples include: County, City, School districts, Hospital districts, Fire districts, and Water districts. Examples of municipal securities include

Item No.	Caption and Instructions
	general obligation bonds, revenue bonds, and industrial development revenue bonds.
4	**International and multilateral development bank obligations.** Report in the appropriate columns the amortized cost and fair value of obligations of international and multilateral development banks, such as the International Bank for Reconstruction and Development (World Bank) and other supranational, which operate outside or beyond the authority of one national government.
5	**Money market instruments.**
5(a)	**Federal funds sold.** Report in the appropriate columns the amortized cost and fair value of all unsecured lending of immediately available funds (Fed funds "sold") regardless of the nature of the transaction and the contract. Include both those that mature in one business day or that roll over under a continuing contract ("pure Fed funds") and those that mature in more than one business day ("term Fed funds") with a contract that is continuously callable up to 100 days. Immediately available funds are funds that the borrowing ("purchasing") bank can either use or dispose of on the same business day that the transaction, giving rise to the receipt or disposal of the funds, is executed. Exclude from this item any advances that are not immediately available to the reporting institution or any advances that are secured under resale agreements or any similar agreement. Such items are to be reported in Schedule RC-B, items 11(a) or 11(b), below, as applicable.
5(b)	**Negotiable certificates of deposit.** Report in the appropriate columns the amortized cost and fair value of all holdings of negotiable large denomination time deposits with a specific maturity of 1 year or less, as evidenced by a certificate.
5(c)	**Banker's acceptances.** Report in the appropriate columns the amortized cost and fair value of the reporting institution's holdings of drafts accepted by another financial institution and discounted or otherwise purchased by the reporting institution. Include any participations in acceptances purchased by the reporting institution from other holders of the acceptances; exclude any participations sold by the reporting institution in its holdings of acceptances of other financial institutions. Exclude from this item any holdings by the reporting institution of its own acceptances; that is, of drafts that it has accepted. Such holdings of its own acceptances are to be reported in Schedule RC, item 4, "Loans, etc."
5(d)	**Commercial paper.** Report in the appropriate columns the amortized cost and fair value of all holdings of commercial paper as authorized by 12 CFR 615.5140(a)(4). Commercial paper means any secured or unsecured promissory note of a corporation with a fixed maturity of no more than 270 days.
5(e)	**Reserved.**
5(f)	**Reserved.**
5(g)	**Reverse repurchase agreements.**

Item No.	Caption and Instructions
	Report in the appropriate columns the amortized cost and fair value of advances of funds in the form of purchases of securities under agreements to resell and similar transactions. Include both those that mature in 1 business day or are under a continuing contract and those that mature in more than 1 business day. Include all such transactions whether or not they are immediately available funds. Also include in this item purchases of participations in pools of securities. Securities sold by the reporting institution under agreements to repurchase are not to be treated as sales in reporting holdings of securities. Securities so "sold" are to be included in the reporting of holdings of securities by the "seller." (Such transactions should be treated as a borrowing by the selling institution and should be reflected in the reporting of a liability in Schedule RC, item 16, "Other liabilities"). Sales of participations in pools of securities held by the reporting institution are to be treated in the same fashion—the securities in which participations have been sold are reported as remaining on the books of the seller and the transaction is reflected as an item in "Other liabilities." Similarly, securities purchased by the reporting institution under agreements to resell (and purchases of participations in pools of securities) are not to be reported under holdings of securities, e.g., in items 1, 2, and 3 of Schedule RC-B, but are to be reported in Schedule RC-B, item 5(g). A resale agreement (also known as a reverse repurchase agreement) is a transaction involving the purchase of assets by one party from another, subject to an agreement by the purchaser to resell the assets at a specified date or in specified circumstances. Such transactions are treated as lending operations and do not affect the reported amounts of the holdings of the securities purchased and resold. Purchases of participations in pools of securities are similarly treated; that is, they are to be reported in this item rather than in one of the other items in this schedule. Report such lending as gross. Do not net against security repurchase agreement liabilities.
5(h)	**Other.** Report in the appropriate columns the amortized cost and fair value of all money market holdings not included items 5(a), 5(b), 5(c), 5(d), 5(e), 5(f) and 5(g).
6	**Reserved.**
7	**Residential Mortgage-backed securities (RMBS).** Residential MBS mean securities that are either: (1) Pass-through securities or participation certificates that represent ownership of a fractional undivided interest in a specified pool of residential (excluding home equity loans), multifamily or commercial mortgages, or

Item No.	Caption and Instructions
	(2) A multiclass security (including collateralized mortgage obligations and real estate mortgage investment conduits) that is backed by a pool or residential, multifamily or commercial real estate mortgages, pass-through mortgage securities, or other multiclass mortgage securities. Exclude from these line items Farmer Mac, SBA, and USDA securities as they are reported in different sections of this schedule.
7(a)	**RMBS fully and unconditionally guaranteed by the U.S. Government or its agencies.** Report in the appropriate columns the amortized cost and fair value of all holdings of RMBS that are fully and unconditionally backed by the full faith and credit of the United States, including securities issued by the Government National Mortgage Association or backed solely by mortgages that are fully guaranteed as to principal and interest by the full faith and credit of the United States (i.e., 100 percent unconditionally guaranteed obligations). RMBS that are only partially or conditionally guaranteed should be reported in item 7(d) or 7(e) as applicable.
7(b)	**RMBS fully and unconditionally guaranteed by Government-sponsored enterprise (GSE).** Report in the appropriate columns the amortized cost and fair value of all RMBS holdings that are issued or fully insured or guaranteed as to principal and interest by Fannie Mae, Freddie Mac or other GSE (i.e., 100 percent unconditionally guaranteed obligations). These securities are not backed by the full faith and credit of the United States. RMBS that are only partially or conditionally guaranteed should be reported in item 7(d) or 7(e) as applicable.
7(c)	**Reserved.**
7(d)	**Non-agency RMBS.** Report in the appropriate columns the amortized cost and fair value of privately issued mortgage securities that are collateralized by qualifying residential mortgages meeting the collateral requirements of the Secondary Mortgage Market Enhancement Act of 1984 (SMMEA). SMMEA securities must generally be secured by a first lien on a single parcel of real estate (residential or mixed residential commercial structure) and originated by a qualifying financial institution. Non-agency mortgage securities means securities that are offered and sold pursuant to section 4(5) of the Securities Act of 1933, 15 U.S.C. 77d (5) or are residential mortgage-related securities within the meaning of section 3(a)(41) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(41). Non-Agency mortgage securities do not include securities issued under a private-label that are backed by agency mortgage pass-through securities of participation certificates.
7(e)	**Other RMBS.** Include in this line item any RMBS that do not fall under the definitions for 7(a) through 7(d). This line item includes RMBS that are conditionally or only partially insured or guaranteed by the U.S. government or a GSE.
8	**Commercial mortgage-backed securities (CMBS).** Report in the appropriate columns the amortized cost and fair value of commercial MBS. Commercial MBS means securities that are

Item No.	Caption and Instructions
	collateralized by mortgages on commercial properties, such as apartment buildings, shopping centers, office buildings, and hotels.
8(a)	**CMBS Fully and unconditionally guaranteed by the U.S. Government and its agencies.** Report in the appropriate columns the amortized cost and fair value of all CMBS holdings that are fully and unconditionally backed by the full faith and credit of the United States, including securities issued by the Government National Mortgage Association or backed solely by mortgages that are fully guaranteed as to principal and interest by the full faith and credit of the United States (i.e., 100 percent unconditionally guaranteed obligations). CMBS that are only partially or conditionally guaranteed should be reported in item 8(c) or 8(d) as applicable.
8(b)	**CMBS Fully and unconditionally guaranteed by Government-sponsored enterprise (GSE).** Report in the appropriate columns the amortized cost and fair value of all CMBS holdings issued or fully insured or guaranteed as to principal and interest by Fannie Mae, Freddie Mac or other GSE (i.e., 100 percent unconditionally guaranteed obligations). These securities are not backed by the full faith and credit of the United States. CMBS that are only partially or conditionally guaranteed should be reported in item 8(c) or 8(d) as applicable.
8(c)	**Non-agency CMBS.** Report in the appropriate columns the amortized cost and fair value of privately issued CMBS that are collateralized by commercial mortgages.
8(d)	**Other CMBS.** Include in this line item any CMBS that do not fall under the definitions for 8(a) through 8(c). This line item includes CMBS that are conditionally or only partially insured or guaranteed by the U.S. government or a GSE.
9	**Farmer Mac guaranteed securities.**
9(a)	**Farm and Ranch securities (i.e. AMBS).** Report in the appropriate columns the amortized cost and fair value of all Farmer Mac securities whose underlying collateral consists of farm and ranch mortgage loans. See § 615.5174.
9(b)	**Rural Utility securities.** Report in the appropriate columns the amortized cost and fair value of all Farmer Mac securities whose underlying collateral consists of rural utility loans. See § 615.5174.
9(c)	**USDA securities.** Report in the appropriate columns the amortized cost and fair value of all Farmer Mac securities whose underlying collateral consists of USDA guaranteed loans. See § 615.5174.
9(d)	**Other Farmer Mac debt securities.** Report in the appropriate columns the amortized cost and fair value of Farmer Mac issued or guaranteed securities not included in items 9(a), 9(b), and 9(c). See § 615.5174.
10	**Asset-backed securities (ABS) (excluding Farmer Mac securities).** Report in the appropriate columns the amortized cost and fair value of all holdings of asset-backed securities (ABS). ABS are securities that provide for ownership of a fractional undivided interest or collateral interest in

Item No.	Caption and Instructions
	specific assets of a trust that are sold and traded in the capital markets. ABS exclude mortgage securities that are defined in 12 CFR 615.5131. Prior to March 2001 this amount also included corporate debt securities, which are now included in Schedule RC-B, item 11(a) or 11(b), below.
10(a)	**Credit card receivables.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by credit card receivables (i.e., extensions of credit arising from credit cards).
10(b)	**Home equity loans.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by home equity lines of credit (i.e., revolving, open-end lines of credit secured by 1-to-4 family residential properties).
10(c)	**Auto loans.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by automobile loans, including loans to finance automobile dealers or for the purpose of purchasing private passenger vehicles, including minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks.
10(d)	**Student loans.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by student loans.
10(e)	**Equipment loans.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by equipment.
10(f)	**Manufactured housing loans.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by manufactured housing.
10(g)	**Other ABS.** Report in the appropriate columns the amortized cost and fair value of all ABS collateralized by non-mortgage loans other than those described items 10(a) through 10(f) above.
11	**Other types of debt securities.** Report in the appropriate columns the amortized cost and fair value of debt securities that that are not included in previous line items. This includes non-MBS securities that are only partially or conditionally guaranteed by the U.S. government or a GSE, and corporate debt securities.
11(a)	**Domestic debt securities.** Report in the appropriate columns the amortized cost and fair value of all holdings of domestic debt other than that described in Schedule RC-B, items 1 through 10(g), above.
11(b)	**Foreign debt securities.** Report in the appropriate columns the amortized cost and fair value of all holdings of foreign debt other than that described in Schedule RC-B, items 1 through 10(g), above.
12	**Allowance for credit losses on debt securities.** The allowance for credit losses on debt securities is a valuation account. It represents an estimate of the amount of expected credit losses with respect to an institution's held-to-maturity and available-for-sale debt

Item No.	Caption and Instructions
	securities and must be determined in accordance with GAAP. The allowance is increased by charges against earnings known as "provisions for credit losses." See Glossary for the definition of Adjusted Allowances for Credit Losses. **Held to Maturity Securities:** An institution is required to maintain an allowance for credit losses on held-to-maturity debt securities that is considered adequate to provide for expected credit losses and considers the effects of past events, current conditions, and reasonable and supportable forecasts of repayment of the institutions' held-to-maturity debt securities. For held-to-maturity debt securities, the allowances for credit losses are measured as the difference between their amortized cost bases and the net amounts expected to be collected until maturity. Report in column A of this item allowance for credit losses on held-to-maturity debt securities as determined in accordance with ASC Subtopic 326-20, Financial Instruments—Credit Losses "Measured at Amortized Cost". Amounts recorded here must equal those reported on Schedule RI-E.1 – Line 7, Column B. **Available-for-Sale Securities:** The allowance for credit losses for available-for-sale debt securities is evaluated on an individual security basis and cannot be evaluated collectively. The allowance for credit losses on an individual available-for-sale debt security is limited to the difference between its fair value and its amortized cost basis, establishing a ceiling on the recognized amount of the allowance for credit losses. For available-for-sale debt securities that the institution does not intend to sell and will not be "more likely than not" required to sell, the institution would recognize any credit loss on individual securities through an allowance for credit losses rather than a direct write-down and credit improvement in subsequent periods would be recognized immediately by reversing an allowance for credit losses. Report in column C of this item allowance for credit losses on available-for-sale debt securities as determined in accordance with ASC Subtopic 326-30, Financial Instruments—Credit Losses "Available-for-Sale Debt Securities". Amounts recorded here must equal those reported on Schedule RI-E.1 – Line 7, Column C.
13	**Total debt securities.** Report the sum of rows 1 through 11, less amounts in row 12, for each respective column A, B, C and D. The sum of the amounts reported in columns A, and D for this line item should agree with the amount reported in Schedule RC, line item 2(a).

Schedule RC-B.2: Assets Held for Liquidity (Applicable to banks only)

General Instructions:
This schedule covers the institution's reporting requirements for investments purchased and held for liquidity pursuant to 12 CFR 615.5134. The general purpose of this schedule is to report the amounts and days of liquidity provided by each type of investment. You must report investments held within each level of liquidity as defined by 12 CFR 615.5134. Individual securities must be reported in only one category and not split among multiple categories. Investments that are not held for liquidity, or no longer eligible to be held for liquidity, should not be reported on this schedule (consistent with FCA Regulation 12 CFR 615.5143). The amortized cost and fair value of these securities should be reported in columns A and B, respectively. The fair value of these securities, discounted in accordance with § 615.5134(b), should be reported in column C. Column D should report the days liquidity provided by each category of investments, as defined in § 615.5134(b).

Column Instructions

Column	Caption and Instructions
A	**Amortized Cost.** In column A, report the amortized cost of assets held for liquidity. For securities purchased at other than par or face value, the amortized cost to be reported is the cost of the securities purchased, adjusted for amortization of premium over the par or face value, and for the accretion of discount from the par or face value. As a general rule, the premium (discount) on each security purchased should be amortized (accreted) over the life of the security; that is, from date of purchase to maturity of the security. See Glossary for definition of amortized cost basis. If the amount of the monthly amortization (accretion) for a given security is immaterial, the reporting institution may, at its option, omit the monthly calculation and booking of amortization (accretion). If the reporting institution chooses that option, then, for a security purchased at a premium, the reporting institution shall take the full amount of the amortization of the premium at the time of purchase (and the security will be reported in this schedule at par or face value for the period it remains on the books of the reporting institution); for a security purchased at a discount, the reporting institution shall take the full amount of the discount at the time of maturity or sale of the security (and the security will be reported in this schedule at cost for the period it remains on the books). Amortized cost of securities with derivative hedges should be reported at net.
B	**Fair Value.** In column B, report the fair value of assets held for liquidity, as determined under ASC Topic 820, Fair Value Measurement, as of the close of business on the report date. See Glossary for fair value definition. The fair values of securities with derivative hedges should be reported in accordance with ASC Topic 320, Investments-Debt Securities, and with ASC Topic 815, Derivatives and Hedging.

Column	Caption and Instructions
C	**Discounted Fair Value.** In column C, report the fair value of assets held for liquidity, discounted in accordance with § 615.5134(b).
D	**Days of Liquidity for Category.** In column D, report the days liquidity provided by each category of assets, as defined in § 615.5134(b). Individual securities must be reported in only one category and not split among multiple categories. When calculating days of liquidity for each category, the categories must be applied sequentially. Specifically, cash must be applied to the first maturing obligations, overnight money market instruments must be applied to the next maturing obligations, and so on. Subtotals and totals in column D must agree with RC-B, line item 17(a) through 17(e).

Line-Item Instructions

Item No.	Caption and Instructions
1	**Level 1.** Report in the appropriate rows assets held in Level 1, as defined in § 615.5134(b).
1(a)	**Cash.** No definition required.
1(b)	**Overnight money market instruments.** No definition required.
1(c)	**U.S. Government obligations ≤ 3 year remaining maturity.** Reported amounts should include only debt securities issued and guaranteed by the U.S. Government or one of its agencies.
1(d)	**Government-sponsored enterprise senior debt ≤ 60 days remaining maturity.** Reported amounts should include only senior debt securities issued and guaranteed by a Government-sponsored entity (GSE). Exclude debt securities issued by the Farm Credit System.
1(e)	**Diversified investment funds comprised of Level 1 securities.**
1(f)	**Subtotal.** Reported amounts should equal the sum of rows 1(a) through 1(e).
2	**Level 2.** Report in the appropriate rows assets held in Level 2, as defined in § 615.5134(b). Do not include excess Level 1 assets.
2(a)	**U.S. Government obligations > 3 year remaining maturity.** Reported amounts should include only debt securities issued and guaranteed by the U.S. Government or one of its agencies.
2(b)	**MBS fully and explicitly guaranteed (both P&I) by U.S. Government.** Reported amounts should include only MBS in which both principal and interest is fully guaranteed by the U.S. Government.
2(c)	**Diversified investment funds comprised of Levels 1 and 2 securities.**
2(d)	**Subtotal.** Reported amounts should equal the sum of rows 2(a) through 2(c).
3	**Level 3.**

Item No.	Caption and Instructions
	Report in the appropriate rows assets held in Level 3, as defined in § 615.5134(b). Do not include excess Level 1 or Level 2 assets.
3(a)	**Government-sponsored enterprise senior debt > 60 days remaining maturity.** Reported amounts should include only senior debt securities issued and guaranteed by a GSE. Exclude debt securities issued by the Farm Credit System.
3(b)	**MBS fully guaranteed (both P&I) by a Government-sponsored enterprise.** Reported amounts should include only MBS in which both principal and interest is fully guaranteed by a GSE.
3(c)	**Money market instruments ≤ 90 days remaining maturity.**
3(d)	**Diversified investment funds comprised of Levels 1, 2 and 3 securities.**
3(e)	**Subtotal.** Reported amounts should equal the sum of rows 3(a) through 3(d).
4	**Supplemental liquidity buffer.** Report assets held in the supplemental liquidity buffer as defined in § 615.5134(b). Do not include excess Level 1, Level 2, or Level 3 assets.
5	**Total.** Reported amounts for each column should equal the sum of rows 1(f), 2(d), 3(e), and 4.

Schedule RC-B.3: Demands and Liquidity (Applicable to banks only)

General Instructions

This schedule covers the institution's reporting requirements for maturing System-wide debt and other borrowings, which is typically the greatest liquidity use and demand for liquidity and is a key factor in calculating days of liquidity. The amounts reported should be based on the principal portion of maturing obligations and other borrowings of the bank in accordance with FCA regulation 615.5134(b). The amounts reported in each row should be based on the remaining maturity date of the debt, or the call date if the debt security has a call option that has been executed.

Column Instructions

Column	Caption and Instructions
A	**Consolidated Systemwide Debt Obligations.** In column A, report the principal portion of the bank's Consolidated Systemwide debt obligations outstanding.
B	**Other Bank Borrowings.** In column B, report the principal portion of bank liabilities other than those defined in column A.
C	**Total.** Reported amounts should equal the sum of column A and B.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Debt Maturities.** Report in the appropriate rows debt outstanding based on its maturity date. If a debt security has a call option that has been executed, the maturity date should be based on the call date.
1(j)	**Total.** Reported amounts should equal the sum of rows 1(a) through 1(i).

Schedule RC-B.4: Equity Securities

Line-Item Instructions

Item No.	Caption and Instructions
1	**Equity Investments in System Institutions & Farmer Mac.** Report the amount of equity investments in other System institutions, service corporations, and Farmer Mac. System institutions and service corporations are defined in the instructions for schedule RC-R.7, line 23. Amounts reported should be based on carrying value, which is the value reported on the balance sheet in accordance with GAAP.
1(a)	**Association investment in district bank (Association only).**
1(a)(i)	**Purchased.** Report the amount of the association's purchased investment in capital stock or other equity issued by its affiliated district bank.
1(a)(ii)	**Allocated.** Report the amount of the association's investment in capital stock or other equity allocated by its affiliated bank.
1(b)	**Bank investments in district associations (Banks only)** Report the amount of the bank's investment in stock and allocated surplus issued or allocated by its affiliated district associations.
1(c)	**Farmer Mac Stock.** Report the amount of stock held that was issued by the Federal Agricultural Mortgage Corporation (Farmer Mac).
1(d)	**Other equity investments in FCS Institutions.** Report the amount of equity investments in other Farm Credit Institutions not reported in items 1(a)(i), 1(a)(ii), 1(b), and (c). Equity investments reported here include equities held that were issued by associations or banks in different districts.
1(e)	**Total equity investments in System Institutions and Farmer Mac.** Report the sum of items 1(a)(i), 1(a)(ii), 1(b), 1(c), and 1(d). The amount reported must equal the amount in schedule RC, line 2(b).
2	**Equity Investments in non-System institutions.** Report the amount of equity investments issued by non-Farm Credit institutions. Any outstanding equity securities purchased under the Mission-Related Investments Pilot Program that ended in 2014 should also be reported here. Amounts reported should be based on carrying value, which is the value reported on the balance sheet in accordance with GAAP.
2(a)	**Rural business investment company (RBIC).** Report the amount of equity investments in Rural Business Investment Companies (RBIC). See 7 CFR, PART 4290- Rural Business Investment Company Program. The USDA administers the RBIC program.
2(b)	**Unincorporated business entities (UBEs).** Report the amount of equity investments in unincorporated business entities that are not fully consolidated into your balance sheet. Institutions may form UBEs with FCA approval under § 611.1150. AgDirect, LLP is an example of a UBE that should be reported here (given that it is not a chartered System institution). Include UBEs formed prior to when the UBE regulations were implemented.
2(c)	**FCS Association Captive Insurance Company (Captive)**

Item No.	Caption and Instructions
	Report the amount of equity investment in the Captive. Include any allocations of equity or surplus from Captive that Captive reports as retained earnings or other type of equity (e.g., savings balances representing allocations of surplus from Captive). The Captive is registered and regulated by the State of Colorado.
2(d)	**Diversified investment funds.** Report the carrying value of all holdings in diversified investment funds (e.g., mutual funds, money market mutual funds, bond funds) administered by investment companies registered under section 8 of the Investment Company Act of 1940.
2(e)	**Other equity investments in non-FCS Institutions.** Report the amount of other types of equity investments in non-FCS institutions that are not included in items 2(a), 2(b), 2(c) and 2(d).
2(f)	**Total equity investments in non-System Institutions.** Report the sum of items in 2(a), 2(b), 2(c), 2(d) and (2(e). The amount reported must equal the amount in schedule RC, line 2(c).

Schedule RC-B.5: Investments Memoranda

Amortized Cost – All amounts reported in this schedule should be based on amortized cost unless exceptions are specified in a line-item instruction.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Investment regulatory limits (Banks only).**
1(a)	**Investments subject to the 35 percent regulatory limit (§615.5132).** Report the 30-day average daily balance (amortized cost) of all debt and equity investments that are authorized under 615.5132 and 615.5140 and subject to the 35 percent limit specified in 615.5132. Exclude accrued interest, and do not include any allowance for credit loss adjustments (i.e., the allowance is not deducted from total investments). Include investments that are determined to be ineligible. Only investments purchased under the authorities in 615.5132 and 615.5140 are subject to the 35 percent limit. Thus, the following investments are excluded from the amounts reported in this line item: • Investments pledged to meet margin requirements for derivative transactions (615.5132). • Equity investments in FCS institutions. • Equity investments in rural business investment companies organized under 7 U.S.C. 2009cc et seq. • Equity investments in unincorporated business entities authorized by 611.1150. • Farmer Mac debt securities purchased under FCA Regulation 615.5174. • Any other investments FCA determines should be excluded from the 35 percent limit. The calculation for measuring this amount is the same as used for item 1(f), except the amount reported here is a 30-day average balance. Differences from 1(f) could also result if FCA grants additional special exemptions from the 35 percent regulatory limit (for example, FCA could approve an investment under 615.5140(e) and exempt it from the 35 percent limit).
1(b)	**Total loans as defined by 615.5131 (quarterly average daily balance).** Report the quarterly average daily balance of total loans as defined in 615.5131. Total loans are valued at amortized cost, include accrued interest, and do not include any allowance for credit loss adjustments (i.e., the allowance is not deducted from total loans).
1(c)	**Investments as a percentage of total loans.** The percentage reported equals item 1(a) divided by 1(b). FCA Regulation 615.5132 limits the maximum amount of investments to 35 percent of total loans.
1(d)	**Largest concentration to one obligor.**

Item No.	Caption and Instructions
	Report the quarter-end amount of the largest exposure to any one obligor. Exclude accrued interest. As defined in 615.5131, obligor means an issuer, guarantor, or other person or entity who has an obligation to pay a debt, including interest due, by a specified date or when payment is demanded. If diversified investments funds (DIF) are held, both the DIF itself and the entities obligated to pay the underlying debt are obligors. Exclude from this line item any investments that are fully guaranteed by the U.S. Government or a GSE (example: if the whole investment portfolio is fully guaranteed by the U.S. Government or a GSE, the amount reported here would be zero).
1(e)	**Obligor exposure as a percentage of total regulatory capital.** The percentage reported equals item 1(d) divided by schedule RC-R.1, item 5(a), "Quarterly Average Amount of Total Regulatory Capital." FCA Regulation 615.5133(g) limits exposure to any one obligor to 10 percent of total regulatory capital.
1(f)	**Total investments volume, as adjusted to measure asset class and GSE-MBS concentration limits.** Report the quarter-end amount (amortized cost) of held-to-maturity and available-for-sale securities and equity investments in non-FCS institutions. Exclude accrued interest. Include investments that are determined to be ineligible. Include only investments purchased under the authorities in 615.5132 and 615.5140. Thus, the following investments are excluded from the amounts reported in this line item: • Investments pledged to meet margin requirements for derivative transactions (615.5132). • Equity investments in FCS institutions. • Equity investments in rural business investment companies organized under 7 U.S.C. 2009cc et seq. • Equity investments in unincorporated business entities authorized by 611.1150. • Farmer Mac debt securities purchased under FCA Regulation 615.5174. The amount reported should equal: • RC-B, columns A+C for rows 1-11 • plus: RC-B.4, rows 2.d. + 2.e. • minus: RC-B, columns A+C for rows 9.a., 9.b., 9.c., and 9.d. • minus: Investments pledged to meet margin requirements for derivative transactions (this will equal 3.a. if the only securities pledged are to meet margin requirements for derivative transactions)
1(g)	**Largest concentration in one asset class.** Report the quarter-end amount (amortized cost) of the largest exposure to any one asset class. Exclude accrued interest. As defined in 615.5131, asset class means a group of securities that exhibit similar characteristics and behave similarly in the marketplace. Asset classes include, but are not limited to, municipal securities, corporate bond securities, MBS, ABS, and any other asset class as determined by FCA. If diversified investments funds (DIF) are held, securities within each DIF count toward

Item No.	Caption and Instructions
	the appropriate asset class. Exclude from this line item any money market classes or investment classes that are fully guaranteed by the U.S. Government or a GSE (example: if the whole investment portfolio is comprised of money market instruments, or securities that are fully guaranteed by the U.S. Government or a GSE, the amount reported here would be zero).
1(h)	**Largest percentage portfolio concentration in one asset class.** The percentage reported equals item 1(g) divided by 1(f) and represents the percentage of the investment portfolio that is comprised of the largest exposure to any one asset class. FCA Regulation 615.5133(f)(2) limits exposure to any one asset class to 15 percent of the total investment portfolio.
1(i)	**MBS guaranteed by a GSE (excluding Farmer Mac securities).** Report the quarter-end amount of MBS issued or guaranteed by GSEs. This includes MBS guaranteed by Fannie Mae, Freddie Mac, and any other GSE. Exclude from this line-item MBS that are issued or guaranteed by Farmer Mac. Exclude accrued interest.
1(j)	**Percentage portfolio concentration in MBS guaranteed by a GSE.** The percentage reported equals item 1(i) divided by 1(f) and represents the percentage of the investment portfolio that is comprised of MBS guaranteed by GSEs (excluding Farmer Mac securities). FCA Regulation 615.5133(f)(3) limits GSE MBS to 50 percent of the investment portfolio.
2	**Investment regulatory limits (Associations only).**
2(a)	**Investments subject to the 10% regulatory limit (615.5140(b)(4)).** Report the quarter-end amount of debt and equity investments held (amortized cost) that are subject to the 10 percent regulatory limit in FCA Regulation 615.5140(b)(4). Include accrued interest. Include investments that are determined to be ineligible as reported in RC-B.5 lines 4(a) and 4(b). Also, include any outstanding debt and equity securities purchased under the Mission-Related Investments Pilot Program that ended in 2014 (the Pilot Program was authorized under the provisions in 615.5140(e)). Only investments purchased under the authorities in 615.5140 are subject to this limit. Thus, the amount reported should equal the sum of held-to-maturity and available-for-sale securities, and equity investments in non-FCS institutions, and exclude the following: • Investments pledged to meet margin requirements for derivative transactions. • Equity investments in rural business investment companies organized under 7 U.S.C. 2009cc et seq. (RC-B.4, item 2(a)). • Equity investments in unincorporated business entities authorized by 611.1150 (RC-B.4, item 2(b)). • Equity investments in the FCS Association Captive Insurance Company (RC-B.4, item 2(c)). • Farmer Mac debt securities purchased under FCA Regulation 615.5174 (RC-B, columns A and C for rows 9(a), 9(b), 9(c), and 9(d)). • Any other investments FCA determines should be excluded from the 10 percent limit.

Item No.	Caption and Instructions
	The amount reported should typically equal the following: • RC-B, columns A+C for rows 1-11 • plus: RC, row 5(e)plus: RC-B.4, rows 2(d) + 2(e) • minus: RC-B, columns A + C for rows 9(a), 9(b), 9(c), and 9(d) • minus: Investments pledged to meet margin requirements for derivative transactions • minus: Any other investments FCA determines should be excluded from the 10 percent limit
2(b)	**Loans subject to the 10% regulatory limit (615.5140(b)(4)).** Report the quarter-end amount of loans held that were purchased under regulatory "investment" authorities, held on the balance sheet as a "loan", and are subject to the 10 percent regulatory limit in FCA Regulation 615.5140(b)(4). Include accrued interest. Include loans purchased under prior regulatory investment authorities that were grandfathered under the current investment regulations. Include any outstanding "loans" originated or purchased under the Mission-Related Investments Pilot Program that ended in 2014 (the Pilot Program was authorized under the provisions in 615.5140(e)). Also, include loans purchased under regulatory investment authorities that are determined to be ineligible under these authorities as reported in RC-B.5 lines 4(a) and 4(b). Exclude loans that were eligible to be purchased under regulatory "lending" authorities with the corresponding due diligence required under the lending regulations.
2(c)	**Total adjusted loans as defined by 615.5140(b)(4).** Report the 90-day average daily balance of total outstanding loans as defined in FCA Regulation 615.5131. Total loans are valued at amortized cost, include accrued interest, and do not include any allowance for loan loss adjustments (i.e., the allowance is not deducted from total loans). Any "loans" held that were purchased under regulatory "investment" authorities in 615.5140 and held on the balance sheet as a "loan" must be excluded from the amount reported here (i.e., the 90-day average daily balance of loans reported in 2(b) must be excluded from the amounts reported in this line item). A value must be reported on this line item if the amounts entered in lines 2(a) and 2(b) are greater than zero.
2(d)	**Investments as a percentage of total loans (sum of items 2(a) and 2(b) divided by 2(c).** The percentage reported equals items 2(a) and 2(b), divided by 2(c). FCA Regulation 615.5140(b)(4) limits the maximum amount of investments to 10 percent of total loans.
3	**Investment purposes (Banks only).** Report in the appropriate rows the primary purpose of investments. Exclude accrued interest.
3(a)	**Pledged securities.** Report the quarter-end amortized cost of all securities that are pledged to secure deposits, performance bonds, repurchase transactions, other borrowings (regardless of the balance of the deposits or other liabilities against which the securities are pledged), and variation or margin requirements for cleared and uncleared derivative exposures, or for any other purpose. Do not, in this item, take into account the general

Item No.	Caption and Instructions
	collateralization against indebtedness (required by FCA regulation) in Schedule RC-J, Collateral Position.
3(b)	**Securities included in the liquidity reserve and supplemental liquidity buffer.** Report the quarter-end amortized cost of all securities that are included in the liquidity reserve and supplemental liquidity buffer.
3(c)	**Securities removed from the liquidity reserve and supplemental liquidity buffer due to noncompliance with §615.5143(a) or (b).** Report the quarter-end amortized cost of all securities that were initially purchased for the liquidity reserve or supplementary buffer but were subsequently removed from liquidity because they were not eligible when purchased or were eligible when purchased but no longer satisfy eligibility criteria.
3(d)	**Securities removed from the supplemental liquidity buffer due to noncompliance with § 615.5134(e).** Report the quarter-end amortized cost of all investments that were initially purchased for the supplemental liquidity buffer but were removed because the market value of the investment(s) declined below 80 percent of amortized cost (as required by 615.5134(e)).
3(e)	**Securities held for other purposes.** Report the quarter-end amortized cost of all securities that were purchased for purposes other than those defined in rows 3(a) through 3(d).
3(f)	**Total.** Report the sum of rows 3(a), 3(b), 3(c), 3(d) and 3(e). The totals should equal row 1(f) plus any securities pledged to meet margin requirements on derivatives.
4	**Ineligible investments.**
4(a)	**Investment determined to be ineligible when purchased as defined by § 615.5143(a).** Report the quarter-end amortized cost of investments outstanding (and loans purchased under regulatory "investment" authorities) that were determined to be ineligible when purchased as defined by § 615.5143(a). Exclude accrued interest. Note: Investments and loans purchased under prior regulatory investment authorities that were grandfathered under the current investment regulations are still considered eligible and should not be reported here unless it is determined they did not meet the prior eligibility requirements when purchased. Investments approved by FCA under 615.5140(e) are also considered eligible and should not be reported here.
4(b)	**Investment that became ineligible after purchase as defined by § 615.5143(b).** Report the quarter-end amortized cost of investments outstanding (and loans purchased under regulatory "investment" authorities) that were eligible when purchased but now no longer satisfies the eligibility criteria. Include investments approved by FCA under 615.5140(e) that no longer satisfy FCA's conditions of approval. Exclude accrued interest. Note: Investments and loans purchased under prior regulatory investment authorities that were grandfathered under the current investment regulations are still considered eligible and should not be reported here if

Item No.	Caption and Instructions
	the only exception to eligibility requirements is the grandfathering provision in 615.5140(b)(6).
5	**Investments and loans approved by FCA under § 615.5140(e).** Report in the appropriate line any debt securities, equity securities, and loans that were prior approved by FCA under the provisions in FCA Regulations 615.5140(e). Include any outstanding debt securities, equity securities, and loans that were purchased or originated under the Mission-Related Investments Pilot Program that ended in 2014 (the Pilot Program was authorized under the provisions in 615.5140(e)). Exclude accrued interest. The sum of lines 5(a) and 5(b) should not exceed line 2(a) unless investments approved by FCA under 615.5140(e) were explicitly exempted by FCA from the 10 percent regulatory limit. Similarly, line 5(c) should not exceed line 2(b) unless loans approved by FCA under 615.5140(e) were explicitly exempted by FCA from the 10 percent regulatory limit.
5(a)	**Debt securities.** Report the quarter-end amortized cost of debt securities that were prior approved by FCA under FCA Regulation 615.5140(e). Debt securities reported here should also be reported in the appropriate line item in RC-B.
5(b)	**Equity securities.** Report the quarter-end carrying value of equity securities that were prior approved by FCA under FCA Regulation 615.5140(e). Equity securities reported here should also be reported in the appropriate line item in RC-B.4.
5(c)	**Loans.** Report the quarter-end amortized cost of loans held that were purchased under regulatory "investment" authorities, held on the balance sheet as a "loan", and were prior approved by FCA under FCA Regulation 615.5140(e). Loans reported here should also be reported in RC-B.5 line 2(b) (unless exempted by FCA from the 10 percent limit). Exclude USDA-guaranteed loans from 5(c) that are currently eligible under § 615.5140, regardless of whether prior approval was required (under an older regulatory framework) when they were initially purchased.
6	**USDA Guaranteed Financial Instruments Purchased Under Regulatory Investment Authorities** Report in this section all debt securities and portions of individual loans purchased that are fully guaranteed by the USDA (U.S. Department of Agriculture; includes the FSA or Farm Service Agency) and were purchased under the "investment" authorities prescribed in § 615.5140 or § 615.5174. Do not include loans that were originated or purchased under regulatory "lending" authorities.
6(a)	**Debt securities**
6(a)(i)	**Issued or guaranteed by Farmer Mac** Report the amortized cost, including unamortized premiums or discounts outstanding (if applicable), of all Farmer Mac debt securities whose underlying collateral consists of USDA guaranteed loans and purchased under the investment authorities in § 615.5174. The amount reported should equal schedule RC-B, line 9.c., columns A plus C.
6(a)(ii)	**Other securitizations**

Item No.	Caption and Instructions
	Report the amortized cost, including unamortized premiums or discounts outstanding, of all other types of USDA debt securities (e.g., assembled and securitized by a pool assembler) purchased under the investment authorities in § 615.5140. This is also reported as one component of schedule RC-B, line 1.d., columns A and C; though they may not equal due to the inclusion of additional components in this RC-B line item.
6(b)	**Loans purchased under investment authorities in regulation 615.5140**
6(b)(i)	**Amount outstanding** Report the quarter-end amount of all USDA-guaranteed loans purchased under the "investment" authorities prescribed in § 615.5140. The amount reported should be based on amortized cost, including unamortized premiums or discounts outstanding.
6(b)(ii)	**Amount purchased during quarter** Report the amount of USDA-guaranteed loans purchased during the quarter that were purchased under the "investment" authorities prescribed in § 615.5140. The amount reported should be based on amortized cost, including unamortized premiums or discounts outstanding.
6(b)(iii)	**Number outstanding** Report the quarter-end number of all USDA-guaranteed loans purchased under the "investment" authorities prescribed in § 615.5140.
6(b)(iv)	**Number purchased during quarter** Report the number of USDA-guaranteed loans purchased during the quarter that were purchased under the "investment" authorities prescribed in § 615.5140.
6(c)	**Price premiums/discounts** Report in this section information on premium and discount amortization on USDA-guaranteed financial instruments during the quarter. Amounts reported should include both debt securities and loans purchased under the "investment" authorities prescribed in § 615.5140 or § 615.5174. The amounts reported should include any fair value adjustments on merger acquisitions so that it is consistent with GAAP. The amounts should be reported as a positive if premiums exceed discounts; and as a negative if discounts exceed premiums.
6(c)(i)	**Premiums added during quarter (net of discounts)** Report the total amount of premiums added, net of discounts, on new USDA-guaranteed securities and loans purchased during the quarter.
6(c)(ii)	**Premiums amortized during quarter (net of discounts)** Report the total amount of premium amortization (i.e., premium write-offs due to ongoing principal payments or early payoff or default) on USDA-guaranteed securities and loans during the quarter, net of discounts.
6(c)(iii)	**Unamortized premiums outstanding (net of discounts)** Report the total amount of premiums outstanding on USDA-guaranteed securities and loans at quarter-end that have not yet been amortized or written off, net of discounts outstanding. The amount reported should equal the unamortized premium outstanding as of the prior quarter end, plus premiums added during the current quarter, minus premiums amortized during the current quarter, all net of discounts. Thus, the

Item No.	Caption and Instructions
	amount reported should equal schedule 6(c)(iii) at the prior quarter plus 6(c)(i) – 6(c)(ii).
6(d)	**Average price paid on purchases during quarter** Report the weighted average price paid on the USDA-guaranteed securities and loans purchased during the quarter. The price should be reported in relation to a par value of 100. For example, if an average 5.5 percent premium is paid, it should be reported as 105.5.
6(e)	**Projected average internal rate of return on purchases during quarter** Report the weighted average internal rate of return (IRoR) on the USDA-guaranteed securities and loans purchased during the quarter. IRoR is the calculated yield when incorporating the premium or discount paid and all cash flows. IRoR is the discount rate that makes the net present value of all cash flows equal to zero in a discounted cash flow analysis. Significant cash flows that should be incorporated into this measure include expected prepayments, prepayment penalty fees that pass through to the investor, principal amortization, and any other factors that impact effective return. Yield to maturity may be used only if it incorporates all of these cash flows, thereby producing the same result as an IRoR measure. The cost of funds should not be incorporated into this measure.
7	**SBA Guaranteed Financial Instruments Purchased Under Regulatory Investment Authorities** Report in this section all debt securities and portions of individual loans purchased that are fully guaranteed by the SBA (Small Business Administration) and were purchased under the "investment" authorities prescribed in § 615.5140. Do not include loans that were originated or purchased under regulatory "lending" authorities.
7(a)	**Debt securities** Report the amortized cost, including unamortized premiums or discounts outstanding, of all SBA-guaranteed debt securities purchased under the investment authorities in § 615.5140. The amount reported should equal schedule RC-B, line 1.b., columns A plus C.
7(b)	**Loans purchased under investment authorities in regulation 615.5140** Report the quarter-end amount of all SBA-guaranteed loans purchased under the "investment" authorities prescribed in § 615.5140. The amount reported should be based on amortized cost, including unamortized premiums or discounts outstanding. Since SBA-guaranteed individual loans are no longer authorized under investment authorities, any loans reported here would generally have been purchased under older regulatory authorities or programs. The amount reported here should be equal to or lower than the amount reported at the prior quarter-end, unless special explicit FCA approval for additional purchases was obtained under § 615.5140(e).
7(c)	**Price premiums/discounts** Report in this section information on premium and discount amortization on SBA-guaranteed financial instruments during the quarter. Amounts reported should include both debt securities and loans purchased under the "investment" authorities prescribed in § 615.5140 or § 615.5174. The amounts reported should include any fair value adjustments on merger acquisitions so that it is consistent with GAAP.

Item No.	Caption and Instructions
7(c)(i)	**Premiums added during quarter (net of discounts)** Report the total amount of premiums added, net of discounts, on new SBA-guaranteed securities and loans purchased during the quarter. The amount should be reported as a positive if premiums exceed discounts; and as a negative if discounts exceed premiums.
7(c)(ii)	**Premiums amortized during quarter (net of discounts)** Report the total amount of premium amortization (i.e., writeoffs) on SBA-guaranteed securities and loans during the quarter, net of discounts. The amount should be reported as a positive is premium amortization exceeds discount amortization.
7(c)(iii)	**Unamortized premiums outstanding (net of discounts)** Report the total amount of premiums outstanding on SBA-guaranteed securities and loans at quarter-end that have not yet been amortized or written off, net of discounts outstanding. The amount should be reported as a positive if premiums outstanding exceed discounts outstanding. The amount reported should equal the unamortized premium outstanding as of the prior quarter end, plus premiums added during the current quarter, minus premiums amortized during the current quarter, all net of discounts. Thus, the amount reported should equal schedule 7(c)(iii) at the prior quarter plus 7(c)(i) – 7(c)(ii).
7(d)	**Average price paid on purchases during quarter** Report the weighted average price paid on the SBA-guaranteed securities and loans purchased during the quarter. The price should be reported in relation to a par value of 100. For example, if an average 5.5 percent premium is paid, it should be reported as 105.5.
7(e)	**Projected average internal rate of return on purchases during quarter** Report the weighted average internal rate of return (IRoR) on the SBA-guaranteed securities and loans purchased during the quarter. IRoR is the calculated yield when incorporating the premium or discount paid and all cash flows. IRoR is the discount rate that makes the net present value of all cash flows equal to zero in a discounted cash flow analysis. Significant cash flows that should be incorporated into this measure include expected prepayments, prepayment penalty fees that pass through to the investor, principal amortization, and any other factors that impact effective return. Yield to maturity may be used only if it incorporates all of these cash flows, thereby producing the same result as an IRoR measure. The cost of funds should not be incorporated into this measure.

Schedule RC-F: Performance of Loans, Notes, Sales Contracts, and Leases

General Instructions

In the schedule, total loans, (principal and accrued interest receivable) are to be reported in the following classifications:

- Accruing
- Formally restructured accruing
- Nonaccrual:
    - Cash basis
    - Other

For each of these loan classifications, the schedule requires information to be reported on past due status as follows:

- Not past due or past due less than 30 days
- Past due 30 through 89 days
- Past due 90 days or more

In classifying and reporting loans in any line item of this table, the amount of accrued interest receivable on any loan shall be reported along with the loan. For a nonaccrual loan, this would include the amount of interest accrued (and unpaid) up to the time the loan was shifted to a nonaccrual status, except where the accrual of interest in the calendar year of such a shift was reversed and backed out of net income rather than being carried as accrued interest in nonaccrual status.

Definitions

This section provides the definitions of the terms used above that are necessary for the proper classification and reporting of loans for this schedule. The definitions, for the most part, are taken from FCA Regulations (12 CFR Part 621).

Past due:

For purposes of this schedule, a loan is past due when it is contractually past due. A loan is considered contractually past due, under regulation, when any principal repayment or interest payment required by the loan instrument is not received by the lender on or before the due date.

Loans payable in more than one payment, whether in regular installments or otherwise, are past due as of the first day a scheduled, required, or expected payment of principal, interest, or combination of the two due on that day was not received by the lender on or before that day. The entire outstanding principal (including accrued interest where appropriate), not just the amount of the delinquent payment, must be classified and reported as past due.

Demand loans and loans on which a call provision has been activated are past due as of the date that any portion, or all, of the outstanding principal and/or accrued interest has been demanded or otherwise called and payment has not been received by the lender.

A loan classified as past due shall remain so classified until the entire amount delinquent (including principal amounts, accrued interest, and penalty interest incurred by virtue of past due status) is collected or otherwise discharged in full. Past due amounts should include loans in foreclosure and the number of days past due should be based on the time when the loan became delinquent (i.e., not when the loan went into foreclosure).

Formally restructured accruing:

With the System's implementation of ASC Topic 326 the formally restructured loan (Troubled Debt Restructure (TDR)) performance category contained in FCA regulation § 621.6(b) will no longer be required under GAAP reporting beginning January 1, 2023. Until FCA regulation 621.6(b) is updated for this change, your institution may decide whether or not to continue reporting TDR data under the existing Call Report schedules. See Informational Memorandum "Accounting standards update on troubled debt restructuring (TDR)" issued December 30, 2022.

Nonaccrual loans.

A loan shall be considered and reported as a nonaccrual loan if there is known risk to the continued collection of principal or interest. Although several factors may be used to identify a known collection risk, the following three conditions always present a known risk to collection:

(1) The loan may or may not be past due, but the institution has determined collection of the outstanding principal and interest, plus future interest accruals, over the full term of the loan is not expected because of a documented deterioration in the financial condition of the borrower.

(2) The loan is 90 days or more past due and is not otherwise eligible to be categorized as a loan 90 days past due still accruing interest. (This alternate category requires the loan to be 90 days or more past due, adequately secured, and in the process of collection).

(3) Legal action, including foreclosure or other forms of collateral conveyance, has been initiated to collect the outstanding principal and interest.

A loan is considered adequately secured if it is secured by either or both (1) collateral in the form of perfected security interests in, or pledges of, real and/or personal property (including securities with an estimable value) having a net realizable value sufficient to repay the loan's outstanding principal and accrued interest; or (2) the guarantee of a financially responsible party in an amount sufficient to repay the loan's outstanding principal and interest.

A loan is considered in the process of collection if debt collection or loan servicing efforts are proceeding in due course and are reasonably expected to result in the recovery of the loan's principal balance, accrued interest, and penalties or reinstatement of the loan to current status within a reasonable time period.

Nonaccrual loans may, at times, be maintained on a cash basis. Generally, cash basis refers to the recognition of interest income from cash payments received on certain nonaccrual loans for which the collectability of the recorded investment in the loan is no longer in doubt.

Cash payments on nonaccrual loans may be recognized as interest income if all the following characteristics are met at the time the payments are received:

(1) The loan does not have a remaining unrecovered prior chargeoff associated with it, except in limited cases where the prior chargeoff was taken as part of a loan modification;

(2) The payment received has come from a source of repayment detailed in the plan of collection; and

(3) The loan, after considering the payment, is not contractually past due more than 90 days and is not expected to again become 90 days past due, or a repayment pattern has been established that reasonably demonstrates future repayment capacity.

Accruing loans.

All loans not properly identifiable as "nonaccrual" or "formally restructured accruing" as defined in these instructions are accruing loans.

Rule of aggregation.

When one loan of a borrower is placed in nonaccrual status, an institution must immediately evaluate whether any loans to that borrower, or related borrowers, should also be placed in nonaccrual status. Specifically:

(1) All loans on which a borrowing entity, or a component of a borrowing entity, is primarily obligated to the reporting institution shall be considered as one loan, unless a review of all pertinent facts supports a reasonable determination that a particular loan constitutes an independent credit risk. This determination must be adequately documented in the loan file.

(2) It is determined that the borrower's other loans with the institution do not represent an independent credit risk and full collection of such loans is not

expected, then all of the borrower's loans must be aggregated and classified as nonaccrual.

(3) If it is determined that the borrower's loans with the institution do represent an independent credit risk, and are fully collectible, then they may remain in their current performance category.

(4) When the institution becomes aware that a borrower has a nonaccrual loan with any other lender, the institution must reevaluate the credit risk in its loan(s) to that borrower and determine if an independent credit risk exists.

Column/Line-Item Instructions

Report all of the reporting institution's loans, notes receivable, sales contracts, and lease receivables, including accrued interest receivable on these, in the appropriate line-items and columns of the schedule as determined by classification in accordance with the above definitions and instructions. Report in column D the sum of columns A, B, and C for each of the items 1 through 4. Report in item 4 the sum of items 1 through 3 for each of columns A through D. The amount reported in item 4, for column D, must equal the sum of Schedule RC, items 4(a), 4(b), 4(c), 4(d), 4(e), 5(a), 5(b), 5(c), and 5(d).

Memorandum:

Item No.	Caption and Instructions
5	**Number of loans.** Report the total number of loans outstanding that corresponds to the amount shown in column D, item 4.

Schedule RC-F1: Performance of Loans, Notes, Sales Contracts, and Leases Loan Performance by Loan Type

In this schedule, total loans (principal and accrued interest receivable) are to be reported by loan types (defined in RC.1) in the following classifications (defined in RC-F):

- Accruing
- Accruing—past due 90 days or more
- Formally restructured accruing
- Nonaccrual:
    - Cash basis
    - Other

In classifying and reporting loans in any line item of this schedule, the amount of accrued interest receivable on any loan shall be reported along with the loan. For a nonaccrual loan, this would include the amount of interest accrued (and unpaid) up to the time the loan was shifted to a nonaccrual status, except where the accrual of interest in the calendar year of such a shift was reversed and backed out of net income rather than being carried as accrued interest in nonaccrual status.

Column/Line-Item Instructions

Report all the reporting institution's loans, notes receivable, and lease receivables, including accrued interest receivable on these, for each loan type, as defined in RC.1, in the appropriate columns of the schedule, in accordance with the definitions above. Report in Column F the sum of columns A thru E for each line item 1 thru 11. Report in item 12 the sum of items 1 thru 11 for each column A thru E. The amount reported for item 12 in column F must equal the sum of Schedule RC, items 4(a) thru 4(e) plus items 5(a) thru 5(d).

Formally restructured accruing.

With the System's implementation of ASC Topic 326, the formally restructured loan (Troubled Debt Restructure (TDR)) performance category contained in FCA regulation § 621.6(b) will no longer required under GAAP reporting beginning January 1, 2023. Until FCA regulation 621.6(b) is updated for this change, your institution may decide whether or not to continue reporting TDR data under the existing Call Report schedules.

Schedule RC-F2: Performance of Loans, Notes, Sales Contracts, Leases and Classified Assets Classifications by Asset Type (Non-FOIA Schedule)

In this schedule, total loans (principal and accrued interest receivable) are to be reported by loan types (defined in RC.1) and by credit classification. Assets other than loans (as described below) that are classified should be reported on line item 11(b).

Credit classifications.

System institutions use asset quality classifications to identify and disclose the degree of risk in the loan portfolio and other assets. The classification system predominately used by System institutions is the Uniform Classification System (UCS). UCS credit classifications are assigned on the basis of certain risk factors and include the following five categories: Acceptable, Special Mention (also referred to as Other Assets Especially Mentioned or OAEM), Substandard, Doubtful, and Loss. Assets classified Substandard, Doubtful, and Loss are considered adversely classified assets; assets classified less than fully Acceptable are considered criticized assets. Assets may also be assigned more than one classification when portions of the asset clearly meet different classification standards. A detailed description and application of each classification category can be found in the *FCA Examination Manual*.

Each institution must report the following information with respect to credit quality of its loan portfolio and other classified assets. For purposes of this report, an institution should align its credit classification categories as is necessary to best fit within the framework of the UCS. For most System institutions, loans (principal and interest) are the only assets assigned credit classifications. However, some System institutions have other types of assets that are routinely assigned credit classifications. Assets not reported on Schedule RC items 4(a) thru 4(e) plus items 5(a) thru 5(d) that are classified should be reported in line 11(b).

Column Instructions

Column	Caption and Instructions
A	**Acceptable.** Report the institution's total amount of loans classified as Acceptable at the report date for each loan type on lines 1 thru 11(a) using the definitions in RC.1. For reporting purposes, any loans not yet classified as of the report date should be included with those classified as Acceptable. All other acceptable assets, other than loans, should be reported on line 11(b).
B	**Special Mention.** Report the institution's total amount of loans classified as Special Mention (also referred to as Other Assets Especially Mentioned or OAEM) at the report date for each loan type on lines 1 thru 11(a) using the definitions in RC.1. All other assets classified as Special Mention should be reported on line 11(b).
C	**Substandard.** Report the institution's total amount of loans classified as Substandard at the report date for each loan type on lines 1 thru 11(a) using the

Column	Caption and Instructions
	definitions in RC.1. All other assets classified Substandard should be reported on line 11(b).
D	**Doubtful.** Report the institution's total amount of loans classified as Doubtful at the report date for each loan type on lines 1 thru 11(a) using the definitions in RC.1. All other assets classified Doubtful should be reported on line 11(b).
E	**Loss.** Report the institution's total amount of loans classified as Loss at the report date that have not been charged off for each loan type on lines 1 thru 11(a) using the definitions in RC.1. All other assets classified Loss should be reported on line 11(b).
F	**Total.** Report in Column F the sum of columns A thru E for items 1 through 12. The aggregate of classified assets reported on this line item that represent loans (items 1 thru 11(a)) should generally agree with the sum of amounts reported in Schedule RC, items 4(a) through 4(e) plus 5(a) through 5(d). If the amount reported on this line item does not agree with the sum of amounts reported in Schedule RC, item 4(a) through 4(e) plus 5(a) through 5(d), the difference must be explained (through a reconcilement) in an addendum to the Call Report.

Schedule RC-F3: Risk Ratings for Retail Loans, Notes, Sales Contracts, and Leases (Non-FOIA Schedule)

Report the total volume of all applicable assets stratified on the assigned Probability of Default (PD) risk rating (rows) and Loss Given Default (LGD) risk rating (columns) as of the reporting date. Additional instructions:

- Refer to the Farm Credit System's Combined System Risk Rating Guidance for definitions of the 14-point PD risk rating scale and the six-tier LGD risk rating scale. (In general, the PD rating reflects a borrower's probability of default and the LGD rating reflects the anticipated loss exposure on a specific obligation assuming a default occurs.)

- For FCS banks, the amounts reported in this schedule should exclude "direct loans" extended to FCS associations, which are instead reported in Schedule RC-F4. The amounts reported in this schedule should also exclude "OFI loans" extended to other financial institutions, which are instead reported in Schedule RC-F5.

- The reported amounts should include the book value of outstanding principal and accrued interest receivable. The amount reported in item 15G must match the sum of amounts reported in Schedule RC, items 4(a) through 4(e) plus 5(a) through 5(d) less Schedule RC-F2 item 9F and item 10F. If these amounts do not agree, the difference must be explained (through a reconcilement) in an addendum to the Call Report.

Schedule RC-F4: Risk Ratings for Direct Loans from FCS Banks to FCS Associations (Non-FOIA Schedule)

This schedule is only applicable to FCS banks.

Report the total volume of "direct loans" extended to FCS associations by the assigned Probability of Default (PD) risk rating as of the reporting date. Additional instructions:

- Refer to the Farm Credit System's Combined System Risk Rating Guidance for definitions of the 14-point PD risk rating scale. (In general, the PD rating reflects a borrower's probability of default.)

- The reported amounts should include the book value of outstanding principal and accrued interest receivable.

- The amount reported in item 15 must match the amount reported in Schedule RC-F2 item 9F (direct loans extended to FCS associations).

Schedule RC-F5: Risk Ratings for Discounted Loans to OFI's (Non-FOIA Schedule)

This schedule is only applicable to FCS Banks.

Report the total volume of "discounted loans to OFIs" extended by FCS banks by the assigned Probability of Default (PD) risk rating as of the reporting date. Additional instructions:

- Refer to the Farm Credit System's Combined System Risk Rating Guidance for definitions of the 14-point PD risk rating scale. (In general, the PD rating reflects a borrower's probability of default.)

- The reported amounts should include the book value of outstanding principal and accrued interest receivable.

- The amount reported in item 15 must match the amount reported in Schedule RC-F2 item 10F (Discounted loans to OFIs).

Schedule series RC-F6: Loan Modifications to Borrowers Experiencing Financial Difficulty

General Instructions

Reporting on the following schedules: RC-F6.1, RC-F6.2, RC-F6.3, covers disclosures on loan modifications to borrowers experiencing financial difficulty as discussed in ASU No. 2022-02, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures," which amended ASC Topic 326, "Financial Instruments – Credit Losses". Evaluating whether a debtor is experiencing financial difficulties for the purpose of the disclosure requirements should be in accordance with ASC 310-10.

Loan modifications can be in the form of one or a combination of principal forgiveness, interest rate reduction, other-than-insignificant payment delay, or a term extension. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions. Additional guidance is provided in ASU 2022-02, "Financial Instruments: Credit Losses (Topic 326) - Troubled Debt Restructurings and Vintage Disclosures".

Loan modifications to borrowers who are not experiencing financial difficulty or do not meet the considerations from ASC 310-10 should not be disclosed.

Column Instructions on Loan Modifications for Schedules RC-F6.1 and RC-F6.2:

Column	Caption and Instructions
A	**Interest Rate Reduction-** Report loans to borrowers experiencing financial difficulty whose interest rates have been lowered.
B	**Term Extension-** Report loans to borrowers experiencing financial difficulty whose maturity dates have been extended. Typically, a loan that is renewed to a borrower experiencing financial difficulty should be considered a reportable modification.
C	**Payment Extension-** Report loans to borrowers experiencing financial difficulty where the lender provides an other-than-insignificant payment delay to a borrower's scheduled payments, without extending the loan's maturity date by (e.g., by adjusting the borrower's repayment schedule either by deferring payments (principal and/or interest) or reducing the frequency of payments for a specified period).
D	**Principal Forgiveness-** Report loans to borrowers experiencing financial difficulty where a lender agrees to forgive a portion of the outstanding loan balance, effectively reducing the principal balance owed**.**
E	**Combination Interest Rate Reduction and Term Extension-** Report loans where loan modification involves interest rate reduction and term extension.

Column	Caption and Instructions
F	**Combination Interest Rate Reduction and Payment Extension-** Report loans where loan modification involves interest rate reduction and an other-than-insignificant payment extension.
G	**Combination Interest Rate Reduction and Principal Forgiveness -** Report loans where loan modification involves interest rate reduction and principal forgiveness.
H	**Combination Term and Payment Extension -** Report loans where loan modification involves term and an other-than-insignificant payment extension.
I	**Combination Term and Principal Forgiveness-** Report loans where loan modification involves term extension and principal forgiveness.
J	**Combination Payment Extension and Principal Forgiveness-** Report loans where loan modification involves an other-than-insignificant payment extension and principal forgiveness.
K	**Total –** Report the total amount of outstanding loan balances of modifications to borrowers experiencing financial difficulty, by loan type and type of loan modification(s) granted.

Line item instructions for RC-F6 schedules:

Report by loan type, as defined in Schedule RC.1, for the loan types listed. Loans made under the authorities for Communication, Energy, and Water/waste disposal have been condensed into a single line, Rural Infrastructure.

Schedule RC-F6.1: Amortized Cost of Loan Modifications Granted to Borrowers Experiencing Financial Difficulty by Loan Type

Report the period ending cost basis of loans modified year-to-date to borrowers experiencing financial difficulty, by loan type and type of loan modification(s) granted. Include loan modifications to borrowers experiencing financial difficulty, regardless of whether the modifications result in new loans or the continuation of existing loans.

Loans amounts reported in Schedules RC-F6.1 should not include accrued interest.

Schedule RC-F6.2: Modified Loans that Subsequently Defaulted

Report the period ending cost basis, of modified loans to borrowers experiencing financial difficulty that have defaulted 1) year-to-date and 2) previously received a modification in the 12 months prior to default, by loan type and loan modification(s) granted (as defined in RC-F6.1).

Loans amounts reported in Schedules RC-F6.2 should not include accrued interest.

Schedule RC-F6.3: Payment Status of Loans Modified in the Past 12 Months

Report the period ending payment status of loans that have been modified to borrowers experiencing financial difficulty in the last twelve months by loan type.

Additional reporting guidance by past due status is provided in Schedule RC-F.

Loans amounts reported in Schedules RC-F6.3 should not include accrued interest.

Schedule RC-G: Average Daily Amounts for the Quarter

General Instructions

This schedule requires the reporting of daily averages over the reporting quarter period for selected groupings and detail of assets, liabilities, and net worth.

For items on the schedule, report the averages of the balances called for as of the close of business for each business day for the calendar quarter. Include nonbusiness days (e.g., weekends or holidays) in the computation of the average daily balance. Accordingly, the computation will be computed based on the actual days in each quarter (e.g., the sum of the asset item's ending day balance for each actual day in the quarter divided by the actual number of days will equal the average daily balance for the asset item).

In general, the main focus of the schedule is on interest-earning assets and interest-bearing liabilities. However, item 6, "Nonaccrual loans," is noninterest earning; item 9, "Total assets," and item 14, "Total liabilities," include both noninterest-earning and noninterest-bearing components; and item 15, "Total net worth," is noninterest bearing.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Investments.**
1(a)	**Debt Securities.** This average item corresponds to the average daily balance amounts corresponding to Schedule RC.B, items 1 through 11, columns A+D.
1(b)	**Equity Investments in System Institutions & Farmer Mac.** This average item corresponds to the definition for Schedule RC, item 2(b).
1(c)	**Equity Investments in non-System Institutions.** This average item corresponds to the definition for Schedule RC, item 2(c).
2	**Accrual loans, sales contracts, notes, and leases.** This average item corresponds to the definition for Schedule RC, items 4(a), 4(b), 4(c), and 4(d). The item excludes accrued interest receivable, nonaccrual loans, and the deduction for allowance for credit losses.
3	**Loans and leases held for sale.** This average item corresponds to the definition for Schedule RC, item 6.
4	**Other interest-earning assets.** Report in this item the average daily balances for the quarter of any interest-earning assets of the reporting institution that are not reported in the above line items.
5	**Total interest-earning assets.** Report total average interest-earning assets. This should equal the sum of 1(a), 2, 3, and 4 (i.e., equity investments are excluded from this line item).
6	**Nonaccrual loans.** The total of average items 6(a) and 6(b) correspond to Schedule RC, item 4(e).

Item No.	Caption and Instructions
6(a)	**Cash basis.** Report in this item the average daily balance for the quarter of the amounts of nonaccrual loans that the reporting institution maintains on a cash basis. Generally, cash basis refers to the recognition of interest income from payments received on certain nonaccrual loans for which the collectability of the loan's principal is not in doubt.
6(b)	**Other.** Report in this item the average daily balance for the quarter of the amounts of all other nonaccrual loans not included in 6(a) above.
7	**Accrued interest receivable (loans).** This average item corresponds to Schedule RC, item 5, but excludes accrued interest receivable on securities, which is reported in Schedule RC, item 5(e).
8	**Other property owned.** This average item corresponds to Schedule RC, item 8.
9	**Total assets.** This average item corresponds to Schedule RC, item 11.
10	**System-wide notes and bonds.** This average item corresponds to Schedule RC, item 12(a). Report in this item the average daily balance for the quarter of System-wide bonds, medium-term notes, and System-wide notes, including the amount of any unamortized discount or premium and unamortized debt issuance costs related to the institution's participation in System-wide bonds, medium-term notes, and System-wide notes.
11	**Notes payable to other Farm Credit System institutions.** This average item corresponds to Schedule RC, item 12(b). Report in this item the average daily balance for the quarter of notes payable to other Farm Credit System institutions including the amount of any unamortized discount or premium and unamortized debt issuance costs related to these notes.
12	**Other interest-bearing liabilities.** Report in this item the average daily balances for the quarter of any interest-bearing liabilities of the reporting institution that are not reported in item 10 or 11 above including bonds and notes payable to others including the amount of any unamortized discount or premium and unamortized debt issuance costs related to these bonds and notes. Include in this item Farm Credit investment bonds.
13	**Total interest-bearing liabilities.** Report in this item the sum of the amounts reported by the reporting institution in items 10, 11, and 12 above.
14	**Total liabilities.** This average item corresponds to Schedule RC, item 17.
15	**Total net worth.** This average item corresponds to Schedule RC, item 24.

Schedule RC-H: Accumulated Other Comprehensive Income

General Instructions

This schedule, in conjunction with schedule RI-D covers the detailed reporting of the net worth section of the institution's balance sheet. This schedule provides detail on accumulated other comprehensive income. Details on all other components of net worth are provided in schedule RI-D.

Line-Item Instructions

Item No.	Caption and Instructions
Accumulated Other Comprehensive Income	
1	**Components of accumulated other comprehensive income.** Report in the appropriate sub-item the amount of accumulated other comprehensive income, net of adjustments and tax that represent transactions accounted for in accordance with ASC Topic 220, Income Statement—Reporting Comprehensive Income me.
1(a)	**Net unrealized gains (losses) on securities available-for-sale.** Report in this line item the net amount of accumulated unrealized gains and losses on securities available for sale. Accumulated losses (i.e., fair value is less than amortized cost) should only be included in this line item for securities where the present value of expected cash flows equals or exceeds amortized cost at the end of the reporting period. For securities in a loss position where the present value of expected cash flows is less than amortized cost at the end of the reporting period, any non-credit related impairment should be reported separately in line 1(b) of this schedule.
1(b)	**Non-credit related impairment on securities available for sale.** Report in this line item the accumulated amount of non-credit related impairment on securities available for sale recognized through other comprehensive income.
1(c)	**Minimum pension liability adjustments.**
1(d)	**Cash flow hedge adjustments.**
1(e)	**Other comprehensive income adjustments.**
1(f)	**Total accumulated other comprehensive income.** Report the total of items 1(a) through 1(e). The amount must equal Schedule RC, item 23.

Schedule RC-I.1: Off-Balance Sheet Commitments, Contingencies, and Other Items (Excluding Derivatives)

General Instructions

Schedule RC-I.1 captures and reports data involving off-balance sheet (OBS) commitments, contingencies and other OBS items. Balances in the schedule should be reported as of period end.

On Schedule RC-I.1, item 1(d) is to be reported only by banks. All other items must be reported by all System institutions (including Farm Credit Leasing), as applicable.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Unused commitments.** Report in the appropriate line items, unused portions of commitments that, as of the close of business on the report date, obligate the reporting institution to extend credit in the form of loans, investments, notes, sales contracts, and lease receivables or in the form of participations in such extensions of credit. Commitment means a legally binding obligation to extend credit, provide lease financing, or purchase or participate in loans or leases, which become effective at the time such commitment is made, as set forth in 12 CFR 614.4350(b). Do not report "letters of credit" in this section. In commitments for syndicated loans or participated loans, report only the reporting institution's proportional share of the commitment. Include loan proceeds that the reporting institution is obligated to advance, such as loan draws, construction progress payments, seasonal or living advances to farmers under prearranged lines of credit, rotating or revolving credit arrangements, etc.
1(a)	**Unused commitments: Unconditionally cancellable.** Unconditionally cancellable commitments are unused commitments that the reporting institution may, at any time, with or without cause, refuse to extend credit under the commitment. Report in this line item unconditionally cancellable commitments to extend further credit on retail loans as of the report date.
1(b)	**Unused commitments: 14 months or less (excludes unconditionally cancellable).** Report in this line item the reporting institution's unused commitments that are not unconditionally cancelable with original maturities of 14 months or less to extend further credit on retail loans as of the report date. Include unused commitments on all extensions of credit, including RBICs.
1(c)	**Unused commitments: Greater than 14 months (excludes unconditionally cancellable).**

Item No.	Caption and Instructions
	Report in this line item the reporting institution's unused commitments that are not unconditionally cancelable with original maturities of greater than 14 months to extend further credit on retail loans as of the report date. Include unused commitments on all extensions of credit, including RBICs.
1(d)	**Direct loans to associations/OFIs (bank only).** Report in this line item the reporting institution's unused portion of the direct note to extend further credit on direct loans to associations or OFIs as of the report date. An unused commitment on an existing direct loan is the total commitment, as defined by the direct note, less the outstanding amount of the direct loan.
2	**Letters of Credit.** Financial institutions use off-balance sheet letters of credit to facilitate trade and commerce. An institution issues a letter of credit (LoC) for its customer (the account party) allowing a third party (beneficiary), or in special cases the account party, to draw funds on the institution up to a set amount under specific terms and conditions. The LoC is a conditional commitment (except when prepaid by the account party) by the institution to provide payment on drafts under the terms of the document. Report in the appropriate line items the LoCs according to their description and exposure characteristics, based on whether they are financial, performance, or commercial and other similar types of credit exposures. In participated letters of credit, report only the reporting institution's proportional share of the letter of credit.
2(a)	**Letters of credit: Financial standby.** Report in this line item the amount of unfunded (as of the report date) financial standby letters of credit (and all legally binding commitments to issue financial standby letters of credit) issued by a System institution. A financial standby letter of credit irrevocably obligates the institutions to pay a third-party beneficiary when a customer (the account party) fails to repay an outstanding loan or debt instrument. Do not report in this item commercial and other similar letters of credit (which are reported in Schedule RC-I.1 item 2c below).
2(b)	**Letters of credit: Performance Standby.** Report in this line item the amount of unfunded (as of the report date) performance standby letters of credit (and all legally binding commitments to issue performance standby letters of credit) issued by the System institution. A performance standby letter of credit irrevocably obligates the institution to pay a third-party beneficiary when a customer (the account party) fails to perform under the terms of the underlying contract with such beneficiary. Do not report in this item commercial and other similar letters of credit (which are reported in Schedule RC-I.1, item 2c below).
2(c)	**Letters of credit: Commercial and other similar.**

Item No.	Caption and Instructions
	Report in this line item the amount of unfunded (as of the report date) issued or confirmed commercial letters of credit, travelers' letters of credit not issued for money or its equivalent, and all similar letters of credit, but excluding all standby letters of credit (which are reported in Schedule RC-I.1, items 2a and 2b above, as applicable).
3	**Commitments to purchase "when issued" or "to-be-announced" securities.** Report in this line item the total amount of commitments (as of the reporting date) to purchase "when-issued" or "to-be-announced" (TBA) securities, provided that such contracts qualify for the regular-way security trade exclusion requirements of ASC Topic 815. Transactions involving securities described as "when-issued" or "to-be-announced" are, by their nature, conditional, i.e., their completion is contingent upon the issuance of the securities. The accounting for contracts for the purchase or sale of when -issued securities or other securities that do not yet exist is addressed in ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by FASB Statement No.149). Such contracts are excluded from the requirements of ASC Topic 815 as a regular-way security trade only if: (1) There is no other way to purchase or sell that security; (2) Delivery of that security and settlement will occur within the shortest period possible for that type of security; and, (3) It is probable at inception and throughout the term of the individual contract that the contract will not settle net and will result in physical delivery of a security when it is issued. Such contracts should be reported on a gross basis on the balance sheet unless the criteria for netting in ASC Subtopic 210-20, Balance Sheet – Offsetting (formerly FASB Interpretation No. 39, "Offsetting of Amounts Related to Certain Contracts"), are met. If a when-issued securities contract qualifies for the regular-way security trade exclusion, it is not accounted for as a derivative. Accounting for these contracts on a trade-date basis should recognize the acquisition or disposition of the when-issued securities on its balance sheet (Schedule RC) at the inception of the contract.
4	**Assets serviced for others.** Report in the appropriate line items 4(a) and 4(b) the "outstanding principal balance" and "total commitment," respectively, for the volume of assets serviced (but not owned) by the reporting entity for other entities. Common servicing activities include: customer billing; collecting payments, escrow responsibilities, distributing loan payments to others, customer contact, customer monitoring, etc.

Item No.	Caption and Instructions
	For these reporting items, serviced assets include: • Assets or portions of assets sold by the reporting entity to any other entities for which the reporting entity retained the primary credit administration responsibilities associated with servicing the asset. • Any other assets or portions of assets for which the reporting entity paid to complete commonly-recognized servicing responsibilities (e.g., the reporting entity purchased or otherwise obtained material servicing responsibilities). • The following asset types: loans, notes, sales contracts, leases, and mission-related investments. Includes participation and syndication transactions. Note: Include in line items 4(a) and 4(b) only the amounts of "outstanding principal balance" and "total commitment," respectively, representing the volume of assets or portions of assets serviced by the reporting entity for other entities. Do not include in these items any amounts of outstanding principal balance or related commitment that represent the reporting entity's portion of these credit obligations.
4(a)	**Assets serviced for others: Total principal outstanding.** Report in this line item the amount of outstanding principal balance of serviced assets, as defined above in item 4 of these instructions that the reporting entity services for other entities. Do not include in this item any amount of outstanding principal balance that the reporting entity retains and continues to report on its balance sheet.
4(b)	Report in this line item the amount of total commitment (outstanding principal balance plus undisbursed commitment) of serviced assets, as defined above in item 4 of this schedule that the reporting entity services for other entities. Do not include in this item any amounts of total commitments that the reporting entity retained or owned.
5	**Other material off-balance sheet commitments or contingencies (include only if greater than $10 million or 10% of net worth – whichever is less).** Report in this line item the total estimated loss of any material contingent liabilities (such as existing lawsuits and litigation) or any other existing actions or circumstances that will create or result in material contingent liabilities in the near future.

Schedule RC-I.2: Off-Balance Sheet Derivatives Contracts

Schedule RC-I.2 captures and reports data involving off-balance sheet (OBS) derivatives contracts – explaining how to account for these types of derivative contracts items in the rule for call reporting purposes. The instructions are divided into four main sections: 1) Credit derivative contracts (lines 1 and 2); 2) Derivative contracts – excluding credit derivatives (lines 3 to 9); 3) Fair Value Counterparty Exposures (lines 10 and 11); and, 4) Derivatives by remaining maturity (lines 12 to 14). RC-I.2 is a "point-in-time" schedule, so all amounts should be reported as of the quarter-end date. RC-I.2 does *not* capture other types of OBS items, such as unused commitments, letters of credit, "when-issued" securities, or material contingencies such as lawsuits and litigation – which are all collected and reported in RC-I.1.

More specifically, lines 3 through 9 reports various types of cleared and non-cleared derivative contracts (excluding credit derivatives) – such as swaps, options, futures and forwards – collecting both the notional and fair value amounts of these contracts. The section is in a three-column matrix format divided into interest rate, foreign exchange, and other columns. Lines 10 and 11 reports the fair value of counterparty exposures, including the impact of netting agreements, for the initial, variation, and excess margin posted both to and by counterparties. This section is in a two-column matrix format divided into cleared and non-cleared columns. Lines 12 through 14 reports the notional value amounts of *all* types of derivatives by remaining maturity – both cleared and non-cleared – including interest rate, foreign exchange, and credit. This section is in a three-column matrix format divided into remaining contract maturities of 1 year or less, maturities of greater than 1 year but less than or equal 5 years, and maturities greater than 5 years.

Note, however, that these instructions may not specifically address every type of OBS derivative contract, and System institutions should review the capital rule for a comprehensive description of the treatment of OBS derivatives. Below are descriptions of the types of derivative contracts referenced within the various sections of Schedule RC-I.2.

Some terms have recently changed: Derivatives traded on organized exchanges are called "cleared transactions" since counterparties clear these derivatives though a clearing organization or central clearing party (CCP). Derivative transactions that are initiated by a counterparty but are traded over-the-counter and not through a derivative clearing organization or central counterparty are called "uncleared transactions."

Credit Derivative Contracts

In general, credit derivatives are arrangements that allow one party (the "protection purchaser" or "beneficiary") to transfer the credit risk of a "referenced asset" or "reference entity" to another party (the "protection seller" or "guarantor"). System institutions should report the notional value amounts of credit derivatives by the type of instrument in Schedule RC-I.2, items 1a and 1b. No netting of contracts is permitted for purposes of this item; therefore, do not net the notional amount or fair values of:

(1) credit derivatives with third parties on which the reporting institution is the protection purchaser against credit derivatives with third parties on which the reporting institution is the protection seller, or
(2) contracts subject to bilateral netting agreements.

Do not include the fair value amounts of credit derivatives in Schedule RC-I.2, items 12 to 14.

Interest Rate Contracts

Interest rate contracts relate to an interest-bearing financial instrument whose cash flows are determined by referencing interest rates or another interest rate contract (i.e.., an option on a futures contract to purchase a T-bill). Institutions use these to adjust their interest rate exposure. Interest rate contracts include interest rate futures, single currency interest rate swaps, basis swaps, forward rate agreements, and interest rate options, including caps, floors, and collars.

Foreign Exchange Contracts

Foreign exchange contracts are contracts to purchase foreign (non-U.S.) currencies and U.S. dollar exchange in the forward market (i.e., on an organized exchange or in an OTC market). A purchase of U.S. dollar exchange is equivalent to a sale of foreign currency. Foreign exchange contracts include cross-currency interest rate swaps where there is an exchange of principal, forward foreign exchange contracts (typically settling three or more business days from trade date), and currency futures and currency options.

“Other” Derivative Contracts

The "other" category of derivative contracts includes any other types of OBS derivative contracts that are not interest rate contracts or foreign exchange contracts. Examples include equity derivative contracts and commodity contracts. Equity derivative contracts are contracts that have a return, or a portion of their return, linked to the price of a particular equity or to an index of equity prices (such as the S&P 500). The contract amount to be reported for equity derivative contracts is the quantity, i.e., number of units, of the equity instrument or equity index contracted for purchase or sale multiplied by the contract price of a unit. Commodity contracts are contracts that have a return, or a portion of their return, linked to the price of or to an index of precious metals, petroleum, lumber, agricultural products, etc.

Swap Contracts

Swap contracts are forward-based contracts in which two parties agree to swap streams of payments based upon an agreed or specified notional amount for a specified period. The notional amount of a swap is the underlying principal amount both counterparties use to calculate the exchange of interest, foreign exchange, or other income or expense. The notional amount to be reported for a swap contract with a multiplier component is the contract's effective notional amount.

Options Contracts

Options contracts convey either the right or the obligation, depending upon whether the reporting institution is the purchaser or writer, respectively, to buy or sell a financial instrument or commodity at a specified price by a specified future date. Options can be written to meet the specialized needs of the counterparties to the transactions. Some options trade on organized exchanges (cleared) while other more customized option contracts, known as over-the-counter (OTC) options, traded bilaterally with another counterparty (uncleared).

The buyer of an option contract has, for compensation (such as a fee or premium), acquired the right (or option) to sell to, or purchase from, another party some financial instrument or commodity at a stated price on a specified future date. The writer (seller) of the contract has, for such compensation, become obligated to purchase or sell the financial instrument or commodity at the option of the buyer of the contract. A put option contract obligates the seller of the contract to purchase some financial instrument or commodity at the option of the buyer of the contract. A call option contract obligates the seller of the contract to sell some financial instrument of commodity at the option of the buyer of the contract. In addition, 'swaptions,' i.e., options to enter into a swap contract, and contracts known as caps, floors, collars and corridors are all options.

Futures Contracts

Futures contracts represent agreements for delayed delivery of financial instruments or commodities in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified instrument at a specified price or yield. Futures contracts are standardized contracts traded on organized exchanges that act as the counterparty to each contract. Contracts are outstanding (i.e., open) until they have been cancelled by acquisition or delivery of the underlying financial instruments or by offset.

Offset is the liquidating of a purchase of futures through the sale of an equal number of contracts of the same delivery month on the same underlying instrument on the same exchange, or the covering of a short sale of futures through the purchase of an equal number of contracts of the same delivery month on the same underlying instrument.

Forward Contracts

Forward contracts represent agreements for delayed delivery of financial instruments or commodities in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified instrument or commodity at a specified price or yield. Forward contracts are over-the-counter transactions and they trade bilaterally with another counterparty (uncleared).

Contracts are outstanding (i.e., open) until cancelled by acquisition or delivery of the underlying financial instruments or settled in cash. Such contracts can only be terminated, other than by receipt of the underlying asset, by agreement of both buyer and seller. For Call Reporting purposes, forward contracts include contracts for the purchase of "when-issued" securities that are not excluded from the requirements of ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133 "Accounting for Derivative Instruments and Hedging Activities," as amended). Report contracts for the purchase of "when-issued" securities that are excluded from the requirements of ASC Topic 815 and accounted for on a settlement-date basis as "OBS Commitments, Contingencies, and Other Items" in Schedule RC-I.1, item 3.

Embedded Derivatives

Contracts that do not in their entirety meet the definition of a derivative instrument, such as bonds, insurance policies, and leases, may contain “embedded” derivative instruments. Embedded derivatives are implicit or explicit terms within a contract that affect some or all the cash flows or the value of other exchanges required by the contract in a manner similar to a derivative instrument.

The effect of embedding a derivative instrument in another type of contract (“the host contract”) is that some or all the cash flows or other exchanges that otherwise would be required by the host contract, whether unconditional or contingent upon the occurrence of a specified event, will be modified based on one or more of the underlying.

An embedded derivative instrument should be separated from the host contract and accounted for as a derivative instrument, i.e., bifurcated, if and only if *all* three of the following conditions are met:

(1) The economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract.

(2) The contract (“the hybrid instrument”) that embodies the embedded derivative and the host contract is not remeasured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur; and,

(3) A separate instrument with the same terms as the embedded derivative instrument would be considered a derivative.

An embedded derivative instrument in which the underlying is an interest rate or interest rate index that alters net interest payments that otherwise would be paid or received on an interest-bearing host contract is considered to be clearly and closely related to the host contract *unless* either of the following conditions exist:

(1) The hybrid instrument can contractually be settled in such a way that the investor (holder) would not recover substantially all of its initial recorded investment, or

(2) The embedded derivative could at least double the investor's initial rate of return on the host contract and could also result in a rate of return that is at least twice what otherwise would be the market return for a contract that has the same terms as the host contract and that involves a debtor with a similar credit quality.

Examples of hybrid instruments (not held for trading purposes) with embedded derivatives which meet the three conditions listed above and must be accounted for separately include debt instruments whose return or yield is indexed to: changes in an equity securities index (i.e., the S&P 500); changes in the price of a specific equity security; or changes in the price of gold, crude oil, or some other commodity. For purposes of these reports, when an embedded derivative must be accounted for separately from the host contract under the ASC Topic 815, the carrying value of the host contract and the fair value of the embedded derivative may be combined and presented together on the balance sheet in the asset or liability category appropriate to the host contract.

Fair Value Treatment of Derivative Transactions

When reporting the net fair value gains (losses) of derivative transactions, record the values *inclusive* of the current interest accruals ("dirty value") for all derivative transactions (swaps, options, futures, etc.).

Column Instructions

Column	Caption and Instructions
First set of columns:	
A (lines 3-9)	**Derivative contracts: Notional – Interest rate** Report in this column section the notional amount of interest rate contracts as described in the general instructions of this schedule. Exclude from this column contracts involving the exchange of one or more foreign currencies (e.g., cross-currency swaps and currency options) and other contracts whose predominant risk characteristic is foreign exchange risk, which should be reported in column B as foreign exchange contracts. Unsettled transactions that exceed the regular way settlement time limit that is customary in each relevant market must be reported as forward contracts (as described in the general instructions) in items 4d and 8d of this schedule. Do not include any credit derivatives in this section.
B (lines 3-9)	**Derivative contracts: Notional – Foreign exchange** Report in this column section the notional value of foreign exchange contracts as described in the general instructions of this schedule. Exclude spot foreign exchange contracts as these should be reported on Schedule RC-R.7, item 7 ("all other assets"). Do not include any credit derivatives in this section.
C (lines 3-9)	**Derivative contracts: Notional – Other** Report in this column section the notional amount of all "other" derivative contracts as described in the general instructions of this schedule.

Column	Caption and Instructions
	The contract amount to be reported for commodity and other contracts is the quantity, i.e., number of units, of the commodity or product contracted for purchase or sale multiplied by the contract price of a unit. The notional amount to be reported for commodity contracts with multiple exchanges of principal is the contractual amount multiplied by the number of remaining payments (i.e., exchanges of principal) in the contract. Do not include any credit derivatives in this section.
Second set of columns:	
B (lines 10-11)	**Fair value counterparty exposure to or from institution after netting impact – cleared transactions** Report in this column section the quarter-end net fair values of derivatives contracts, initial margin and, variation margin associated with transactions cleared through a central counterparty. These central counterparties have rulebooks governing how their clearing members post margin or settlement payments (initial and variation). Clearing members of a central counterparty impose the same margin or settlement requirements on their customers. The posting of margin or settlement payments are part of the netting process. Today, the market uses the term "cleared transactions," while in the past they used the term "exchange-traded" transactions.
C (lines 10-11)	**Fair value counterparty exposure to or from institution after netting impact – non-cleared transactions – Line 10** Report in this column section the quarter-end net fair values of derivatives, initial margin and variation margin, associated with transactions not cleared through a central counterparty. These derivative contracts or agreements are between two counterparties an institution and another entity. The two counterparties may decide to exchange margin with each other subject to a bilateral netting agreement (collateral support annex). If a bilateral netting agreement is in place the two counterparties exchange only the net difference in their two calculated derivative positions. If a bilateral netting agreement does not exist, there is no exchange of margin between counterparties. Today, the market uses the term "non-cleared," while in the past they used the term "over-the counter" transactions.
Third set of columns:	
A (lines 12-14)	**Derivatives by remaining maturity (notional) – Line 12** Report in this column section derivative contracts as described in lines 12 and 13 of this schedule that have a remaining maturity of less than or equal to one year. Note: Credit derivatives are included within this section.

Column	Caption and Instructions
B (lines 12-14)	**Derivatives by remaining maturity (notional) – Line 12** Report in this column section derivative contracts as described in lines 12 and 13 of this schedule that have a remaining maturity of greater than one year but less than or equal to five years. Note: Credit derivative are included within this section.
C (lines 12-14)	**Derivatives by remaining maturity (notional) – Line 12** Report in this column section derivative contracts as described in lines 12 and 13 of this schedule that have a remaining maturity of greater than five years. Note: Credit derivative are included within this section.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Credit Derivative Contracts.**
1(a)	**Credit derivatives (notional): Credit default swaps.** Report in this item the notional value amount of all credit default swaps. A credit default swap is a contract in which a protection seller or guarantor (the risk taker), for a fee agrees to reimburse a protection purchaser or beneficiary (the risk hedger) for any losses that occur due to a credit event on a "reference entity." If there is not a credit default event (as defined by the derivative contract), then the protection seller makes no payments to the protection purchaser and receives only the contractually specified fee. Under standard industry definitions, a credit event is defined to include bankruptcy, failure to pay, and restructuring. Other potential credit events include obligation acceleration obligation default, and repudiation/ moratorium.
1(b)	**Credit derivatives (notional): Other credit derivatives.** Report in this item the notional amount of all other credit derivatives. Other credit derivatives consist of any credit derivatives not reportable as a credit default swap. Note: Credit linked notes are cash securities and reported as other credit derivatives.
1(c)	**Credit derivatives (notional): Total credit derivatives.** Report in this item the total notional value amount (stated in U.S. dollar) of all credit derivatives. This line item should be equal to the sum of 1(a) and 1(b).
2	**Credit derivatives included in 1(c) that are not recognized as a credit mitigant.** Report the notional amount of credit derivative contracts where the bank is the protection purchaser (beneficiary) but the protection is not recognized as a credit risk mitigant under § 628.36 of our regulatory capital rule. The credit derivative contracts to be reported in this item are limited to those providing purchased protection where the protection

Item No.	Caption and Instructions
	is not being used to hedge an underlying position or where the "hedging" credit derivative does not meet the criteria for recognition as a credit risk mitigant under § 628.36 of the rule. Note: "Naked" purchased protection positions can arise when a System institution has sold the underlying hedged asset while retaining the credit derivative contract.
3	**Cleared Derivatives (Notional).**
3(a)	**Cleared derivatives (notional): Swap contracts.** Report in the appropriate column the notional value amount of all cleared swaps as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange or the "other" category of derivative contracts. The notional value amount for a swap contract with a multiplier component is the contract's effective notional amount. Note: A swap that has an embedded early termination option that may be exercised either at a specified date or dates before the maturity date of the swap or during a specified period (which may be until the maturity date of the swap), should be reported as a swap and not as an option contract. Do not include any credit derivatives in this section. Column A: Report in this column line the notional value amount of all cleared interest rate swap contracts. Column B: Report in this column line the notional value amount of all cleared foreign exchange swap contracts. Column C: Report in this column line the notional value amount of all other cleared swap contracts that are not interest rate or foreign exchange swap contracts.
3(b)	**Cleared derivatives (notional): Purchased option contracts.** Report in the appropriate column the notional value amounts of all cleared purchased option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Do not include any credit derivatives in this section. Column A: Report in this column line the notional value amount of all cleared interest rate purchased option contracts. Column B: Report in this column line the notional value amount of all cleared foreign exchange purchased option contracts. Column C: Report in this column line the notional value amount of all other cleared purchased option contracts that are not interest rate or foreign exchange option contracts.
3(c)	**Cleared derivatives (notional): Written (sold) option contracts.**

Item No.	Caption and Instructions
	Report in the appropriate column the notional value amounts of all cleared written (sold) option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Column A: Report in this column line the notional value amount of all cleared interest rate written option contracts. Column B: Report in this column line the notional value amount of all cleared foreign exchange written option contracts. Column C: Report in this column line the notional value amount of all other types of cleared written option contracts that are not interest rate or foreign exchange option contracts.
3(d)	**Cleared derivatives (notional): Futures contracts.** Report in the appropriate column the aggregate par value of futures contracts as described in the general instructions of this schedule that have been entered into by the reporting System institution and are outstanding (i.e., open contracts) as of the report date. Column A: Report in this column line futures contracts committing the reporting System institution to purchase or sell financial instruments and whose predominant risk characteristic is interest rate risk. Some of the more common interest rate futures include futures on 90-day U.S. Treasury bills; 12-year GNMA pass-through securities; and 2-, 4-, 6-, and 10-year U.S. Treasury notes. Column B: Report in this column line the gross amount (stated in U.S. dollar) of all futures contracts committing the reporting bank to purchase foreign (non-U.S.) currencies and U.S. dollar exchange and whose predominant risk characteristics is foreign exchange risk. A currency futures contract is a standardized agreement for delayed delivery of a foreign (non U.S.) currency or a U.S. dollar exchange in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified amount at a specified exchange rate. Column C: Report in this column line the contract amount for all other futures contracts committing the reporting System institution to purchase or sell futures such as equity securities (or instruments based on equity indexes), commodities, precious metals (i.e., gold, platinum), or other types of futures contracts that are not interest rate or foreign exchange futures.
3(e)	**Cleared derivatives (notional): Total cleared derivatives.** Report in the appropriate column the total notional value amount of all cleared derivative contracts based on whether they are interest rate, foreign exchange, or the "other" category of derivatives contracts. The totals should equal the sum of items 3.a. through 3.d. for each respective column. Do not include any credit derivatives in this section.

Item No.	Caption and Instructions
	Column A: Report in this column line the total notional value amount of all cleared interest rate derivative contracts as described in the general instructions of this schedule. Column B: Report in this column line the total notional value amount of all cleared foreign exchange derivative contracts as described in the general instructions of this schedule. Column C: Report in this column line the total notional value amount of all other cleared derivative contracts as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
4	**Non-cleared derivatives (notional):**
4(a)	**Non-cleared derivatives (notional): Swap contracts.** Report in the appropriate column the notional value amount of all non-cleared swaps as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange or the "other" category of derivative contracts. The notional value amount for a swap contract with a multiplier component is the contract's effective notional amount. Do not include any credit derivatives in this section. Column A: Report in this column line the notional value amount of all non-cleared interest rate swap contracts. Column B: Report in this column line the notional value amount of all non-cleared foreign exchange swap contracts. Column C: Report in this column line the notional value amount of all other non-cleared swap contracts that are not interest rate or foreign exchange swap contracts.
4(b)	**Non-cleared derivatives (notional): Purchased option contracts.** Report in the appropriate column the notional value amounts of all non-cleared purchased option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Do not include any credit derivatives in this section. Column A: Report in this column line the notional value amount of all non-cleared interest rate purchased option contracts. Column B: Report in this column line the notional value amount of all non-cleared foreign exchange purchased option contracts. Column C: Report in this column line the notional value amount of all other non-cleared purchased option contracts that are not interest rate or foreign exchange option contracts.

Item No.	Caption and Instructions
4(c)	**Non-cleared derivatives (notional): Written (sold) option contracts.** Report in the appropriate column the notional value amounts of all non-cleared written (sold) option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the “other” category of derivative contracts. Do not include any credit derivatives in this section. Column A: Report in this column line the notional value amount of all cleared interest rate written option contracts. Column B: Report in this column line the notional value amount of all cleared foreign exchange written option contracts. Column C: Report in this column line the notional value amount of all other types of cleared written option contracts that are not interest rate or foreign exchange option contracts.
4(d)	**Non-cleared derivatives (notional): Forward contracts.** Report in the appropriate column the aggregate par value of forward contracts that have been entered into by the reporting System institution and are outstanding (i.e., open contracts) as of the report date. Do not include any credit derivatives in this section. Note: Report contracts for the purchase of "when-issued" securities that are excluded from the requirements of ASC Topic 815 and accounted for on a settlement-date basis (as described in the general instructions) as "OBS Commitments, Contingencies, and Other Items" in Schedule RC-I.1, item 3. Column A: Report in this column line forward contracts committing the reporting System institution to purchase or sell financial instruments and whose predominant risk characteristic is interest rate risk. Include in this item firm commitments (i.e., commitments that have a specific interest rate or price, selling date, and dollar amount) to sell loans secured by 1-to-4 family residential properties that meet the definition of a derivative contract under ASC Topic 815. Column B: Report in this column section the gross amount (stated in U.S. dollars) of all forward contracts committing the reporting System institution to purchase foreign (non U.S.) currencies and U.S. dollar exchange and whose predominant risk characteristic is foreign exchange risk. Column C: Report in this column section the contract amount for all other forward contracts that are not reportable as interest rate risk or foreign exchange contracts in columns A and B (i.e., commodities, equity derivative forwards, etc.) committing the reporting System institution to purchase or sell such instruments or products.

Item No.	Caption and Instructions
4(e)	**Non-cleared derivatives (notional): Total non-cleared derivative contracts.** Report in the appropriate column the total notional value amount of all non-cleared derivative contracts based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. The totals should equal the sum of items 4(a) through 4(d) for each respective column. Do not include any credit derivatives in this section. Column A: Report in this column line the total notional value amount of all non-cleared interest rate derivative contracts as described in the general instructions of this schedule. Column B: Report in this column line the total notional value amount of all cleared foreign exchange derivative contracts as described in the general instructions of this schedule. Column C: Report in this column line the total notional value amount of all of the "other" category of cleared derivative contracts as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
5	**Total derivative contracts excluding credit derivatives (notional) – sum of 3(e) and 4(e).** Report in the appropriate column the total notional value amount of all derivative contracts - both cleared and non-cleared. This is equal to the sum of lines 3(e) plus 4(e) for each respective column. Do not include any credit derivatives in this section. Column A: Report in this column line the total notional value amount of all interest rate derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule. Column B: Report in this column line the total notional value amount of all foreign exchange derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule. Column C: Report in this column line the total notional value amount of all other derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
6	**Derivatives included in line 5 on behalf of customers (notional).** Report in the appropriate column the total notional value amount of all derivative contracts – both cleared and non-cleared – included in line 5 that were made on behalf of a System institution's customers based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Include only the derivative contracts between the institution and customer; do not include any offsetting contracts between the institution with dealers.

Item No.	Caption and Instructions
	Do not include any credit derivatives in this section. Column A: Report in this column line the total notional value amount of all interest rate derivative contracts – both cleared and non-cleared – included in line 5 that were made on behalf of a System institution's customers. Column B: Report in this column line the total notional value amount of all foreign exchange derivative contracts – both cleared and non-cleared – included in line 5 that were made on behalf of a System institution's customers. Column C: Report in this column line the total notional value amount of all "other" derivative contracts – both cleared and non-cleared – included in line 5 that were made on behalf of a System institution's customers.
7	**Cleared Derivatives (Fair Value).**
7(a)	**Cleared derivatives (fair value): Swap contracts.** Report in the appropriate column the net fair value amount of all cleared swaps as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. The fair value amount to be reported for a swap contract with a multiplier component is the contract's effective fair value amount. Note: A swap that has an embedded early termination option that may be exercised either at a specified date or dates before the maturity date of the swap or during a specified period (which may be until the maturity date of the swap), should be reported as a swap and not as an option contract. Do not include any credit derivatives in this section. Column A: Report in this column line the net fair value amount of all cleared interest rate swap contracts. Column B: Report in this column line the net fair value amount of all cleared foreign exchange swap contracts. Column C: Report in this column line the net fair value amount of all other cleared swap contracts that are not interest rate or foreign exchange swap contracts.
7(b)	**Cleared derivatives (fair value): Purchased option contracts.** Report in the appropriate column the net fair value amount of all cleared purchased option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. Do not include any credit derivatives in this section.

Item No.	Caption and Instructions
	Column A: Report in this column line the net fair value amount of all cleared interest rate purchased option contracts. Column B: Report in this column line the net fair value amount of all cleared foreign exchange purchased option contracts. Column C: Report in this column line the net fair value amount of all other cleared purchased option contracts that are not interest rate or foreign exchange option contracts.
7(c)	**Cleared derivatives (fair value): Written (sold) option contracts.** Report in the appropriate column the net fair value amount of all cleared written (sold) option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. Do not include any credit derivatives in this section. Column A: Report in this column line the fair value amount of all cleared interest rate written option contracts. Column B: Report in this column line the net fair value amount of all cleared foreign exchange written option contracts. Column C: Report in this column line the net fair value amount of all other cleared written option contracts that are not interest rate or foreign exchange option contracts.
7(d)	**Cleared derivatives (fair value): Futures contracts.** Report in the appropriate column the aggregate net fair value of futures contracts as described in the general instructions of this schedule that have been entered into by the reporting institution and are outstanding (i.e., open contracts) as of the report date. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. Do not include any credit derivatives in this section. Column A: Report in this column line futures contracts committing the reporting System institution to purchase or sell financial instruments and whose predominant risk characteristic is interest rate risk. Some of the more common interest rate futures include futures on 90-day U.S. Treasury bills; 12-year GNMA pass-through securities; and 2-, 4-, 6-, and 10-year U.S. Treasury notes. Column B: Report in this column line the gross amount (stated in U.S. dollar) of all futures contracts committing the reporting bank to purchase foreign (non-U.S.) currencies and U.S. dollar exchange and whose predominant risk characteristics is foreign exchange risk.

Item No.	Caption and Instructions
	A currency futures contract is a standardized agreement for delayed delivery of a foreign (non-U.S.) currency or a U.S. dollar exchange in which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date, a specified amount at a specified exchange rate. Column C: Report in this column line the contract amount for all other futures contracts committing the reporting System institution to purchase or sell futures such as equity securities (or instruments based on equity indexes), commodities, precious metals (i.e., gold, platinum), or other types of futures contracts that are not interest rate or foreign exchange futures.
7(e)	**Cleared derivatives (fair value): Total cleared derivative contracts.** For each respective column, report the sum of items 7(a) through 7(d). Do not include any credit derivatives in this section. Column A: Report in this column line the total net fair value amount of all cleared interest rate derivative contracts as described in the general instructions of this schedule. Column B: Report in this column line the total net fair value amount of all cleared foreign exchange derivative contracts as described in the general instructions of this schedule. Column C: Report in this column line the total net fair value amount of all other cleared derivative contracts as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
8	**Non-cleared Derivatives (Fair Value).**
8(a)	**Non-cleared derivatives (fair value): Swap contracts.** Report in the appropriate column section the net fair value amount of all non-cleared swaps as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. The fair value amount to be reported for a swap contract with a multiplier component is the contract's effective fair value amount. Note: A swap that has an embedded early termination option that may be exercised either at a specified date or dates before the maturity date of the swap or during a specified period (which may be until the maturity date of the swap), should be reported as a swap and not as an option contract. Do not include any credit derivatives in this section. Column A: Report in this column line the net fair value amount of all non-cleared interest rate swap contracts.

Item No.	Caption and Instructions
	Column B: Report in this column line the net fair value amount of all non-cleared foreign exchange swap contracts. Column C: Report in this column line the net fair value amount of all other non-cleared swap contracts that are not interest rate or foreign exchange swap contracts.
8(b)	**Non-cleared derivatives (fair value): Purchased option contracts.** Report in the appropriate column the net fair value amount of all non-cleared purchased option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. Do not include any credit derivatives in this section. Column A: Report in this column line the net fair value amount of all non-cleared interest rate purchased option contracts. Column B: Report in this column line the net fair value amount of all non-cleared foreign exchange purchased option contracts. Column C: Report in this column line the net fair value amount of all other non-cleared purchased option contracts that are not interest rate or foreign exchange option contracts.
8(c)	**Non-cleared derivatives (fair value): Written (sold) option contracts.** Report in the appropriate column the net fair value amount of all non-cleared written (sold) option contracts as described in the general instructions of this schedule based on whether they are interest rate, foreign exchange, or the "other" category of derivative contracts. Amounts should be reported using positive values for net gain positions and negative values for net loss positions. Do not include any credit derivatives in this section. Column A: Report in this column line the fair value amount of all non-cleared interest rate written option contracts. Column B: Report in this column line the net fair value amount of all non-cleared foreign exchange written option contracts. Column C: Report in this column line the net fair value amount of all other non-cleared written option contracts that are not interest rate or foreign exchange option contracts.
8(d)	**Non-cleared derivatives (fair value): Forward contracts.** Report in the appropriate column the aggregate net fair value of forward contracts that have been entered into by the reporting System institution and are outstanding (i.e., open contracts) as of the report date. Amounts should be reported using positive values for net gain positions and negative values for net loss positions.

Item No.	Caption and Instructions
	Do not include any credit derivatives in this section. Column A: Report in this column line the net fair value amount of forward contracts committing the reporting System institution to purchase or sell financial instruments and whose predominant risk characteristic is interest rate risk. Include in this item firm commitments (i.e., commitments that have a specific interest rate or price, selling date, and dollar amount) to sell loans secured by 1-to-4 family residential properties that meet the definition of a derivative contract under ASC Topic 815. Column B: Report in this column section the net fair value amount (stated in U.S. dollars) of all forward contracts committing the reporting System institution to purchase foreign (non U.S.) currencies and U.S. dollar exchange and whose predominant risk characteristic is foreign exchange risk. Column C: Report in this column section the net fair value amount for all other forward contracts that are not reportable as interest rate risk or foreign exchange contracts in columns A and B (i.e., commodities, equity derivative forwards, etc.) committing the reporting System institution to purchase or sell such instruments or products.
8(e)	**Non-cleared derivatives (fair value): Total non-cleared derivative contracts.** For each respective column, report the sum of items 8(a) through 8(d). Do not include any credit derivatives in this section. Column A: Report in this column line the total net fair value amount of all non-cleared interest rate derivative contracts as described in the general instructions of this schedule. Column B: Report in this column line the total net fair value amount of all non-cleared foreign exchange derivative contracts as described in the general instructions of this schedule. Column C: Report in this column line the total net fair value amount of all other non-cleared derivative contracts as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
9	**Total derivative contracts (fair value) – sum of 7(e) and 8(e).** Report in the appropriate column the total net fair value amount of all derivative contracts - both cleared and non-cleared. This is equal to the sum of lines 7(e) plus 8(e). Do not include any credit derivatives in this section. Column A: Report in this column line the total net fair value amount of all interest rate derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule.

Item No.	Caption and Instructions
	Column B: Report in this column line the total net fair value amount of all foreign exchange derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule. Column C: Report in this column line the total net fair value amount of all other derivative contracts – both cleared and non-cleared – as described in the general instructions of this schedule that are not interest rate or foreign exchange derivative contracts.
10	**Institution's exposure to counterparties after netting (excluding credit derivatives).** Report in the appropriate column section the fair values of derivative contracts that are in a gain position after applying netting if applicable. Also report the initial margin and variation margin posted by counterparties on derivative contracts. All derivative transactions between an institution and a central counterparty (CCP) are governed by a CCP's rulebook for posting margin or making settlement payments. Most but not all derivative transactions between an institution and another entity are governed by bilateral netting arrangements. Sometimes on older derivative contracts there is no agreement on the exchange of margin payments. Counterparties use netting arrangement to mitigate the counterparty credit risk exposures between each other. Both bilateral netting agreements and CCP rulebooks require two types of margining related to derivative contracts: initial and variation margin. These arrangements govern which party posts margin payments or makes settlement payments, and the frequency of counterparty fair value calculation which determine the amount of margin payments or settlement payment exchanged between counterparties.
10(a)	**Institution's exposure to counterparties after netting: Derivative contracts in a gain position.** Report the sum of the fair values of all derivative transactions (inclusive of interest accruals), that are in a "gain" position after accounting for netting agreements (i.e., sum of the positive values). Derivative contracts include swaps, options (purchased or sold), futures and forwards. Note: Amounts reported should be prior to the deduction of margin postings and settlement payments. Column B: Report in this column the sum of the fair values of all cleared derivative transactions that are in a net gain position after accounting for netting agreements. Column C: Report in this column line the net fair values of all not cleared derivatives transactions that are in a net gain position after accounting for netting agreements.
10(b)	**Institution's exposure to counterparties after netting: Initial margin posted by counterparties – Cash.** Report the quarter-end amount of all cash posted by counterparties as initial margin to the institution.

Item No.	Caption and Instructions
	Column B: Report in this column line the amount of cash posted by counterparties as initial mar-gin associated with transactions cleared through a central counterparty. Column C: Report in this column line the amount of cash posted by counterparties as initial margin associated with transactions not cleared through a central counterparty.
10(c)	**Institution's exposure to counterparties after netting: Initial margin posted by counterparties – Securities.** Report the quarter-end fair value of all securities posted by counterparties as initial margin to the institution. Column B: Report in this column line the fair value amount of securities posted by counterparties as initial margin associated with transactions cleared through a central counterparty. Column C: Report in this column line the fair value amount of securities posted by counterparties as initial margin associated with transactions not cleared through a central counterparty.
10(d)	**Institution's exposure to counterparties after netting: Variation margin or settlement payments posted by counterparties – Cash.** Report the quarter-end amount of all cash posted by counterparties as variation margin to the institution. See the variation margin definition in § 624.2 of the Margin and Capital Requirements for Covered Swap Entities rule (80 FR 74840). Column B: Report in this column line the amount of cash posted by counterparties as variation margin associated with transactions cleared through a central counterparty. Column C: Report in this column line the amount of cash posted by counterparties as variation margin associated with transactions not cleared through a central counterparty.
10(e)	**Institution's exposure to counterparties after netting: Variation margin or settlement payments posted by counterparties – Securities.** Report the quarter-end amount of securities posted by counterparties as variation margin to the institution. See the variation margin definition in § 624.2 of the Margin and Capital Requirements for Covered Swap Entities rule (80 FR 74840). Column B: Report in this column line the fair value of securities posted by counterparties as variation margin associated with transactions cleared through a central counterparty. Column C: Report in this column line the fair value of securities posted by counterparties as variation margin associated with transactions not cleared through a central counterparty.
10(f)	**Exposure to counterparties [item 10(a) minus (items 10(b) through 10(e))].**

Item No.	Caption and Instructions
	For each respective column, the amount reported should equal item 10(a) minus the sum of items 10(b) through 10(e). This amount represents the System institution's unsecured exposure in the event of counterparty default. Column B: Report in this column line the net fair value amount of derivative contracts by a System institution that are unsecured to its counterparties associated with transactions that have cleared through a central counterparty. Column C: Report in this column line the net fair value amount of derivative contracts by a System institution that are unsecured to its counterparties associated with transactions that have not cleared through a central counterparty.
11	**Counterparties' exposure to institution after netting.** Report in the appropriate column section the fair values of derivative contracts that are in a "loss" position after applying netting if applicable. Also report the initial margin and variation margin posted by the reporting System institution on derivative contracts. All derivative transactions between an institution and a central counterparty are governed by a CCP's rules for posting margin or making settlement payments. Most but not all derivative transactions between an institution and another entity are governed by bilateral netting arrangements. In some cases, the counterparties post margin or settlement payments on a gross basis to each other. Sometimes on older derivative contracts there is no agreement or requirement to exchange margin or settlement payments.
11(a)	**Counterparties' exposure to institution after netting: Derivative contracts in a loss position.** Report the sum of the fair values of all derivative transactions (inclusive of interest accruals), that are in a "loss" position after accounting for the netting agreements (i.e., sum of negative values). Derivative contracts include swaps, options (purchased and sold), futures and forwards. Note: Amounts reported should be prior to the deduction of margin postings and settlement payments. Column B: Report in this column the sum of the fair values of all cleared derivative transactions that are in a net gain position after accounting for netting agreements. Column C: Report in this column line the net fair values of all not cleared derivatives transactions that are in a net gain position after accounting for netting agreements.
11(b)	**Counterparties' exposure to institution after netting: Initial margin posted to counterparties – Cash.** Report the quarter-end amount of all cash the institution has posted to its counterparties as initial margin. Column B: Report in this column line the amount of cash the System institution posted to counterparties as initial margin associated with transactions cleared through a central counterparty.

Item No.	Caption and Instructions
	Column C: Report in this column line the amount of cash the System institution posted to counterparties as initial margin associated with transactions not cleared through a central counterparty.
11(c)	**Counterparties' exposure to institution after netting: Initial margin posted to counterparties – Securities.** Report the quarter-end fair value of all securities the institution has posted to its counterparties as initial margin. Column B: Report in this column line the fair value of securities posted to the System institution's counterparties as initial margin associated with transactions that have cleared through a central counterparty. Column C: Report in this column line the fair value of securities posted to the System institution's counterparties as initial margin associated with transactions that have not cleared through a central counterparty.
11(d)	**Counterparties' exposure to institution after netting: Variation margin or settlement payments posted to counterparties – Cash.** Report the quarter-end amount of all cash the institution has posted as variation margin or settlement payment to its counterparties. See the variation margin definition in § 624.2 of the Margin and Capital Requirements for Covered Swap Entities rule (80 FR 74840). Column B: Report in this column line the amount of cash the System institution has posted to its counterparties as variation margin associated with transactions that have cleared through a central counterparty. Column C: Report in this column line the amount of cash the System institution has posted to its counterparties as variation margin associated with transactions that have not cleared through a central counterparty.
11(e)	**Counterparties' exposure to institution after netting: Variation margin or settlement payments posted to counterparties – Securities.** Report the quarter-end net fair value of all securities the institution has posted as variation margin or settlement payment to its counterparties. See the variation margin definition in § 624.2 of the Margin and Capital Requirements for Covered Swap Entities rule (80 FR 74840). Column B: Report in this column line the fair value of securities the System institution has posted to its counterparties as variation margin associated with transactions that have cleared through a central counterparty. Column C: Report in this column line the fair value of securities the System institution has posted to its counterparties as variation margin associated with transactions that have not cleared through a central counterparty.
11(f)	**Net counterparties' exposure to institution after netting: Counterparty exposure to institution [item 11(a) minus (items 11(b) through 11(e))].**

Item No.	Caption and Instructions
	For each respective column, the amount reported should equal item 11.a minus the sum of items 11(b) through 11(e). This amount represents the Counterparties unsecured exposure in the event of System institution default. Column B: Report in this column line the net fair value amount of derivative contracts by counterparties that are unsecured to the System institution associated with transactions that have cleared through a central counterparty. Column C: Report in this column line the net fair value amount of derivative contracts by counterparties that are unsecured to the System institution associated with transactions that have not cleared through a central counterparty.
12	**Derivatives by remaining maturity (notional): Cleared derivatives.** Report in the appropriate column section the notional amount (stated in U.S. dollars) of all cleared contracts that meet the definition of a derivative and must be accounted for in accordance with ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended). Include both freestanding derivative contracts and embedded derivatives that must be accounted for separately from their host contract under ASC Top 815 (see discussion of embedded derivatives in the general instructions of this schedule). Report each contract according to its underlying risk exposure: (a) interest rate, (b) foreign exchange, (c) credit, and (d) all others. Contracts with multiple risk characteristics should be classified based upon the predominant risk characteristics at the time of origination of the derivative. For this section, a derivative contract should be reported based upon its remaining time to maturity, whether it is 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Line item 12(e) should equal the sum of items 12(a) through 12(d) for each respective column.
12(a)	**Derivatives by remaining maturity (notional): Cleared derivatives – Interest rate risk.** Report in the appropriate column section the notional amount of all cleared interest rate contracts that meet the definition of a derivative as described above in line 12. These interest rate contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of cleared interest rate contracts that have a remaining time to maturity of 1 year or less.

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	Column B: Report in this column line the notional amount of cleared interest rate contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of cleared interest rate contracts that have a remaining time to maturity of greater than 5 years.
12(b)	**Derivatives by remaining maturity (notional): Cleared derivatives – Foreign exchange.** Report in the appropriate column section the notional amount of all cleared foreign exchange contracts that meet the definition of a derivative as described above in line 12. These foreign exchange contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of cleared foreign exchange contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of cleared foreign exchange contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of cleared foreign exchange contracts that have a remaining time to maturity of greater than 5 years.
12(c)	**Derivatives by remaining maturity (notional): Cleared derivatives – Credit.** Report in the appropriate column section the notional amount of all cleared credit contracts that meet the definition of a derivative as described above in line 12. These credit derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of cleared credit derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of cleared credit derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of cleared foreign exchange contracts that have a remaining time to maturity of greater than 5 years.
12(d)	**Derivatives by remaining maturity (notional): Cleared derivatives – Others.** Report in the appropriate column section the notional amount of all other cleared contracts that meet the definition of a derivative as described

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	above in line 12. These "other" derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of all other cleared derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of all other cleared derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of all other cleared derivative contracts that have a remaining time to maturity of greater than 5 years.
12(e)	**Derivatives by remaining maturity (notional): Cleared derivatives – Total cleared.** Report in the appropriate column section the total notional amount of all cleared contracts that meet the definition of a derivative as described above in line 12. The derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the total notional amount of all cleared derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the total notional amount of all cleared derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the total notional amount of all cleared derivative contracts that have a remaining time to maturity of greater than 5 years.
13	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Credit.** Report in the appropriate column section the notional amount (stated in U.S. dollars) of all non-cleared contracts that meet the definition of a derivative and must be accounted for in accordance with ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended). Include both freestanding derivative contracts and embedded derivatives that must be accounted for separately from their host contract under ASC Top 815. Report each contract according to its underlying risk exposure: (a) interest rate, (b) foreign exchange, (c) credit, and (d) all others. Contracts with multiple risk characteristics should be classified based upon the predominant risk characteristics at the time of origination of the derivative.

Item No.	Caption and Instructions
	For this section, a derivative contract should be reported based upon its remaining time to maturity, whether it is 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years.
13(a)	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Interest rate risk.** Report in the appropriate column section the notional amount of all non-cleared interest rate contracts that meet the definition of a derivative as described above in line 13. These interest rate contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of non-cleared interest rate contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of non-cleared interest rate contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of non-cleared interest rate contracts that have a remaining time to maturity of greater than 5 years.
13(b)	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Foreign exchange.** Report in the appropriate column section the notional amount of all non-cleared foreign exchange contracts that meet the definition of a derivative as described above in line 13. These foreign exchange contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of non-cleared foreign exchange contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of non-cleared foreign exchange contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of non-cleared foreign exchange contracts that have a remaining time to maturity of greater than 5 years.
13(c)	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Credit.** Report in the appropriate column section the notional amount of all non-cleared credit contracts that meet the definition of a derivative as described above in line 13. These credit derivative contracts should be split out and reported according to their time to maturity, whether they

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	are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of non-cleared credit derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of non-cleared credit derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of non-cleared credit derivative contracts that have a remaining time to maturity of greater than 5 years.
13(d)	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Others.** Report in the appropriate column section the notional amount of all other non-cleared contracts that meet the definition of a derivative as described above in line 13. These "other" derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the notional amount of all other non-cleared derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the notional amount of all other non-cleared derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the notional amount of all other non-cleared derivative contracts that have a remaining time to maturity of greater than 5 years.
13(e)	**Derivatives by remaining maturity (notional): Non-cleared derivatives – Total non-cleared.** Report in the appropriate column section the total notional amount of all non-cleared contracts that meet the definition of a derivative as described above in line 13. The derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the total notional amount of all non-cleared derivative contracts that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the total notional amount of all non-cleared derivative contracts that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years.

Item No.	Caption and Instructions
	Column C: Report in this column line the total notional amount of all non-cleared derivative contracts that have a remaining time to maturity of greater than 5 years.
14	**Derivatives by remaining maturity (notional): Total derivative contracts (12(e) plus 13(e)).** Report in the appropriate column section the total notional amount of all contracts – both cleared and uncleared – that meet the definition of a derivative for the exposure categories as listed and described above in lines 12 and 13. The derivative contracts should be split out and reported according to their time to maturity, whether they are 1 year or less, greater than 1 year but less than or equal to 5 years, or greater than 5 years. Column A: Report in this column line the total notional amount of all derivative contracts – both cleared and uncleared – that have a remaining time to maturity of 1 year or less. Column B: Report in this column line the total notional amount of all derivative contracts – both cleared and uncleared – that have a remaining time to maturity of greater than 1 year but less than or equal to 5 years. Column C: Report in this column line the total notional amount of all derivative contracts – both cleared and uncleared – that have a remaining time to maturity of greater than 5 years.

Schedule RC-J: Collateral Position (Non-FOIA Schedule)

General Instructions

Schedule RC-J is applicable to banks only. The schedule includes the following sections:

- Available Collateral - contains the various components of available collateral as defined by 12 CFR 615.5050;

- Indebtedness Requiring Collateralization - contains the components of indebtedness requiring collateralization by 12 CFR 615.5050;

- Collateral Positions - contains the amount of excess collateral (as defined by 12 CFR 615.5050).

Several of the individual line items on Schedule RC-J must equal line items or combinations of line items on Schedule RC. Therefore, reporting institutions should complete Schedule RC prior to completing Schedule RC-J.

The Farm Credit Act of 1971, as amended, and 12 CFR 615.5050, 5060, and 5090 require each bank to maintain sufficient collateral (available collateral as reported in item 11 of this schedule) for all of its secured debt obligations (items requiring collateralization as reported in line 19 of this schedule).

Under the requirements of 12 CFR 615.5050(a) each bank shall have on hand at the time of issuance of any notes, bonds, debentures, or other similar obligations, and at all times thereafter maintain, free from any lien or other pledge, assets consisting of notes and other obligations representing loans made under the authority of the Act, real or personal property acquired in connection with loans made under the Act, obligations of the United States or any agency thereof direct or fully guaranteed, other bank assets (including securities) approved by the Farm Credit Administration, cash, or cash equivalents approved by the Farm Credit Administration, in an aggregate value equal to the total amount of notes, bonds, debentures, or other similar obligations outstanding for which the bank is primarily liable. The regulations also establish:

- The collateral value of eligible investments (as defined in 12 CFR 615.5140) as the lower of cost or market value.

- The collateral value of notes and other obligations representing loans made under the authority of any Farm Credit Act shall be the unpaid balance of such loans adjusted for any allowance for credit losses (except as provided for in 12 CFR 615.5090).

- The collateral value of loans in process of liquidation or foreclosure, judgments, and sales contracts shall be the unpaid balance of such loans, judgments, and contracts adjusted for any allowance for credit losses.

- The collateral value of loans which have been restructured by any action, such as an extension, deferment, or partial release, shall be the new unpaid balance of the loans adjusted for any allowance for credit losses.

- The collateral value of property acquired in the liquidation of loans shall be the book value of such property.

- Collateral shall not include the amount of any loan that exceeds the maximum amount authorized under the Act or part 614 of the regulations.

- Collateral may include the collateral value of secured interbank loans, computed as provided in 12 CFR 615.5050(c)(1), if the assets securing the loan could serve as collateral supporting the issuance of obligations under 12 CFR 615.5050(a). In computing its eligible collateral, the borrowing bank shall not count the assets securing such loan.

- Each bank shall have procedures which will ensure that the bank complies with the statutory requirements for maintenance of collateral.

Amounts representing secured borrowings under repurchase agreements are to be reported as obligations requiring collateralization. Similarly, amounts that represent collateral used to secure borrowings under such agreements are to be reported as available collateral to the extent that the amount being reported for each individual transaction does not exceed the amount of the obligation that it secures.

Line-Item Instructions

Item No.	Caption and Instructions
Available Collateral	
1	**Gross loan items.** Report the net amount of loans available for collateral. This amount must equal the sum of the amounts from Schedule RC, items 4(a) through 4(e) plus items 5(a) through 5(d). Accordingly, this total equals all principal and accrued interest receivable on loans, notes, sales contracts, nonaccrual loans, and other assets appropriately classified as loans and eligible for collateral.
2	**Less: Excess loans.** Report the amount of excess loans. For collateral reporting purposes, loans must be valued under the requirements of 12 CFR 615.5050(c)(5). This provision states that collateral shall not include the amount of any loan that exceeds the maximum amount authorized under the Act or part 614 of the Regulations (i.e., lending limit violations per 12 CFR 614.4352 and loan to value requirements per 12 CFR 614.4200(b)). To properly compute excess loan amounts, any excess amount should be reduced to the extent that a specific (GAAP) allowance has been established on this same loan. For example, assume that a bank has a re-amortized loan with a new outstanding principal balance of \$100,000. The primary security backing the loan has a current market value of \$80,000. The bank has established a \$20,000 specific (GAAP) allowance on this loan for financial reporting purposes. Because the loan has undergone a servicing action, for collateral reporting purposes, the loan must be valued under the provisions of 12 CFR 615.5050(c)(5). Accordingly, the value of this loan that may be reported as collateral is 85 percent of the \$80,000 appraised value of the primary security, or \$68,000 (\$80,000 x 0.85). The \$32,000 difference (\$100,000 new loan balance minus \$68,000) between the unpaid principal balance of

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	the loan and the new carrying value would normally be reported as a reduction to collateral in the form of an excess loan. However, because this loan has a $20,000 specific allowance, the $20,000 specific allowance should be used to offset the excess loan amount such that only $12,000 ($32,000 minus $20,000) of the excess should be reflected as a reduction to collateral in the form of an excess loan. The purpose of this adjustment is to minimize the effects of "double counting" resulting from regulatory requirements.
3	**Less: Loans not secured by a first lien within 1 year.** Report the amount of loans that, after 1 year from the date of closing, must be withdrawn from collateral because proper documentation has not been obtained evidencing that the loan is secured by a first lien on real estate or its equivalent in accordance with 12 CFR 615.5060.
4	**Less: Nonconforming loans.** Report the amount of any loans that did not conform, at the time of loan closing, with the requirements of the law or regulations. Pursuant to 12 CFR 615.5090, such loan must be withdrawn from a bank's available collateral.
5	**Less: Unsecured notes receivable.** Report the amount of unpaid principal and/or the accrued interest receivable portion of any notes receivable from Farm Credit banks and others that by the terms of the note agreement is unsecured under 12 CFR 615.5050(c)(6).
6	**Less: Allowance for credit losses.** Report the amount of the allowance for credit losses on mortgage loans, purchase money mortgages, real estate sales contracts, notes receivable, nonaccrual loans, and other loan-related assets. This amount must be equal to Schedule RC, item 4(f).
7	**Other property owned.** Report the amount of real and personal property acquired by foreclosure or otherwise in liquidation of loans, accounts and notes receivable, sales contracts, etc. This amount must be equal to Schedule RC, item 8.
8	**Cash.** Report the total holdings of cash and balances due from depository institutions. These include: (a) cash items in process of collection, currency, and coin; (b) holdings of interest-bearing and noninterest-bearing balances due from depository institutions in the United States and banks in foreign countries, whether in the form of demand, savings, or time balances; and (c) balances of all types, and for all purposes, due from Federal Reserve banks. This amount must equal the amount reported in Schedule RC, item 1.
9	**Eligible investments (lower of cost or market).** Report the amount of securities, including accrued interest receivable, that the bank holds to maintain a liquidity reserve, manage short-term surplus funds, and manage interest rate risk (see 12 CFR 615.5140). Securities that are not eligible under 12 CFR 615.5140 should not be reported in this line item. For collateral purposes, securities must be valued at the lower of cost or fair market value, determined on an individual investment basis. That is, each individual security's

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	amortized cost value must be compared to its market value at the report date, the lower value being reported in the aggregate amount.
10	**Other adjustments (explain in an addendum).** Report the amount of any other adjustments to available collateral. All amounts reported in this line must be fully explained in an addendum.
11	**Total available collateral (per FCA Regulation 615.5050).** Report the sum of items 1 through 10 above.
Indebtedness Requiring Collateralization	
12	**Farm Credit bonds and notes, notes payable to other Farm Credit System banks, and other interest-bearing debt.** Report the amount of System-wide bonds and medium-term notes, System-wide notes, Farm Credit investment bonds, and notes payable to Farm Credit banks and others. This amount will equal the total of the amounts shown on Schedule RC, items 12(a) through 12(e).
13	**Accrued interest payable.** Report the amount of accrued interest payable on System-wide bonds and medium-term notes, Farm Credit investment bonds, and notes payable to Farm Credit banks and others. This amount will equal the total amount of accrued interest payable shown on Schedule RC, line 13(g).
14	**Less: Uncollateralized portion of notes payable.** Report the amount of the unpaid portion of any notes payable (including any applicable accrued interest payable) to Farm Credit banks and others that do not require collateralization.
15	**Other adjustments (explain in an addendum).** Report the amount of any other adjustments to items requiring collateralization.
16	**Total obligations requiring collateralization.** Report in this item all secured debt obligations of the reporting bank that require collateralization. (sum of 12 + 13 – 14 +15)
Collateral Positions	
17	**Excess collateral position.** Report the difference between available collateral. (item 11 minus 16)

Schedule RC-K: Accrual Loan Activity Reconcilement for Loans, Leases, Notes Receivable (excluding Intra-System Loan), and Sales Contracts

General Instructions

This schedule covers the detailed reporting of the institution's loan activity for the current period. The schedule is designed to show the reconcilement of the increases and decreases to loans, etc., outstanding from the end of the prior period to the end of the current period.

Information should be reported by the institution that books the loan. Accrued interest receivable and all intra-System notes should be excluded from this schedule. The activity for all other loans, leases, notes receivable, and sales contracts should be reported.

Items 1-16 and 18 are applicable only to direct lender institutions. Items 17(a) and 17(b) must be reported by all reporting institutions.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Accrual loans—beginning balance.** Report the amount of accrual loans, etc., outstanding at the beginning of the period. This amount must equal the amount reported on Schedule RC-K, item 16, of the reporting institution's prior quarter report.
2	**Direct new money.** Report the amount of advances representing the extension of credit resulting from direct negotiations between the reporting institution and borrowing entities. Include advances on loans, etc., to new borrowers as well as those parts of loans to existing borrowers that are not used to retire previously outstanding principal or interest receivable already carried on the books of the reporting institution. Include advances used to retire indebtedness to any lender other than the reporting institution and advances on loans originated by the reporting institution even though all or part of the loans are subsequently sold as participations.
3	**Purchases of loans and participations.** Report the amount of advances representing the purchase of loans or parts of loans resulting from direct negotiations between a borrower and a lender other than the reporting institution.
4	**Conversions of accrued interest.** Report the amount of accrued interest receivable that is already carried on the books of the reporting institution which has been converted to principal (rolled over to principal).
5	**Refinancing of principal.** Report the amount refinanced of previously outstanding principal carried on the books of the reporting institution and otherwise reported on this schedule whether at or prior to maturity, wholly or partially.
6	**Reinstatements from nonaccrual status.** Report the amount of principal reinstated from nonaccrual status during the period.
7	**Recoveries/reinstatements of charge-offs.**

Item No.	Caption and Instructions
	Report the gross amount of recoveries on loans previously charged off.
8	**Other debits.** Report the amount of other debit transactions affecting the balance of accrual loans, etc., outstanding during the period which cannot adequately be explained in items 1 through 7 because they are unusual and/or non-routine in nature.
9	**Repayments.** Report the amount representing the receipt of funds during the period from borrowers for direct application against principal balances carried on the books of the reporting institution. Include amounts deposited with or otherwise available to the reporting institution for application against principal balances, such as advance and future payments, trust funds, stock, and participation certificate balances. Also include funds received from lenders responsible for supervising the loans in which the reporting institution has purchased participations.
10	**Sales of loans and participations.** Report the amount resulting from the sale of loans or participations in loans to lenders other than the reporting institution itself during the period.
11	**Refinancing of principal.** Report the amount of refinancing of previously outstanding principal carried on the books of the reporting institution and otherwise reported on this schedule, whether matured or unmatured, wholly or partially.
12	**Transfers to nonaccrual status.** Report the amount of loans, etc., which have been transferred to nonaccrual status during the period.
13	**Transfers to other property owned.** Report the amount of accrual loans for which other property owned has been received by the reporting institution through foreclosure proceedings in lieu of repayment of the loan. The amount transferred out should equal the fair market value of the other property owned received. Any amounts of the loan left on the books that are above the fair market value of the asset received should be charged off and recorded in item 14.
14	**Charge-offs.** Report the gross amount of accrual loans, etc., determined to be uncollectible and charged off during the period.
15	**Other credits.** Report the amount of other credit transactions affecting the balance of accrual loans, etc., outstanding during the period that cannot adequately be explained in items 9 through 14 because they are unusual and/or non-routine in nature.
16	**Accrual loans—ending balance.** Report the amount of accrual loans, etc., outstanding at the end of the period. This amount is the sum of items 1 through 8 less items 9 through 15. The amount reported must equal the sum of the amounts reported on Schedule RC, items 4(a), 4(c), and 4(d).
17	**Number of members (or others) that are holders of the stock or participation certificates issued and outstanding by the reporting institution.**
17(a)	**Voting stockholders.**

Item No.	Caption and Instructions
	Report the number of members (or others) that are holders of the stock or participation certificates issued and outstanding by the reporting institution. Members should be reported in only one category. If a member holds both voting and non-voting stock, the member should be reported only in the "Voting Stockholders" category.
17(b)	**Nonvoting stockholders.** Report the number of members (or others) that hold nonvoting stock or participation certificates. Although, if a member holds both voting and nonvoting stock, the member should be reported only in the "Voting Stockholders" category.
18	**Secondary market loans sold during period.** Report the amount of loans that were sold for the purpose of pooling and securitizing such loans into the secondary market during the period. The amount should include loans that are intended to be securitized into the secondary market by Farmer Mac as well as entities other than Farmer Mac.

Schedule RC-L: Nonaccrual Loan Activity Reconcilement

General Instructions

This schedule covers the detailed reporting of the institution's nonaccrual loan activity for the current period. The schedule is designed to show the reconcilement of the increases and decreases to nonaccrual loans outstanding from the end of the prior period to the end of the current period.

For detailed information regarding composition of nonaccrual loan balances, see instructions for Schedule RC, item 4(e).

Line-Item Instructions

Item No.	Caption and Instructions
1	**Nonaccrual loans—beginning balance.** Report the amount of nonaccrual loans outstanding at the beginning of the period. This amount must equal Schedule RC-L, item 9 on the reporting institution's prior quarter report.
2	**Gross amounts transferred into nonaccrual status.** Report the amount of loan principal and accrued interest and other amounts that have been transferred or changed to the institution's nonaccrual loan balances.
3	**Charge-offs.** Report the gross nonaccrual loan amounts that have been determined to be uncollectible and were charged off during the period.
4	**Transfers to other property owned.** Report the amount of nonaccrual loans for which other property owned has been received by the reporting institution through foreclosure proceedings in lieu of repayment of the loan. The amount transferred out should equal the fair market value of the other property owned received, and any amounts of the loan left on the books which are above the fair market value of the asset received should be charged off and recorded in item 3.
5	**Reinstatement to accrual status.** Report the amount of nonaccrual loans that were transferred to accrual status.
6	**Recoveries.** Report the gross amount of recoveries during the period on nonaccrual loans previously charged off. Recoveries represent amounts received or recognized that were previously believed uncollectible and therefore charged off.
7	**Repayments.** Report the amount representing the receipt of funds during the period from borrowers for direct application against nonaccrual loan balances carried on the books of the reporting institution. Include amounts deposited with or otherwise available to the reporting institution for application against nonaccrual balances, such as advances and future payments, trust funds, stock, and participation certificate balances. Also include funds received from lenders responsible for supervising the loans in which the reporting institution has purchased participations.
8	**Other (net).**

Item No.	Caption and Instructions
	Report the amount of any other debit and credit transactions affecting the balance of nonaccrual loans outstanding during the period which cannot be included in the above items because they are unusual and/or non-routine in nature.
9	**Nonaccrual loans—ending balance.** Report the amount of nonaccrual loans outstanding at the end of the period. This amount is the sum of items 1 + 2 – 3 – 4 – 5 + 6 – 7 + 8. This amount must equal Schedule RC, item 4(e), for the current quarter.

Schedule RC-M: Other-Property-Owned (Net of Depreciation) Activity Reconcilement

General Instructions

This schedule covers the detailed reporting of the institution's other property owned activity for the current period. The schedule is designed to show the reconcilement of the increases and decreases to other property owned from the end of the prior period to the end of the current period. The property to be reported in this schedule is property which has been acquired outright by foreclosure. For additional information, see instructions for Schedule RC, item 8.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Other property owned—beginning balance.** Report the amount of other property owned at the beginning of the period. This amount must equal Schedule RC-M, item 7, on the reporting institution's report for the prior period.
2	**Gross amounts transferred in.** Report the fair value of other property owned which has been obtained through foreclosure proceedings or other loan liquidation processes.
3	**Amounts depreciated.** Report the amount of depreciation on other property owned for the period.
4	**Properties disposed of.** Report the gross amount of other property owned which was sold or otherwise disposed of during the period. Amounts reported must be based on the lower of the property's market value or book value at time of sale or disposition.
5	**Net charge-offs/write-ups.** Report the amount of other property owned charged off or written up during the period as well as any additional losses incurred resulting from disposition.
6	**Other.** Report the amount of other transactions affecting the balance of other property owned during the period that cannot be included in the preceding lines because they are unusual and/or non-routine in nature.
7	**Other property owned—ending balance.** Report the amount of other property owned as of the end of the period. This amount is the sum of items 1 + 2 – 3 – 4 – 5 + 6. The amount reported must equal the amount reported on Schedule RC, item 8.

Schedule RC-N.1: Repricing Opportunities and Relationships (Non-FOIA Schedule)

General Instructions

Schedule RC-N.1 must be reported by all banks and specific associations as determined by FCS examination teams.

This schedule requires the reporting of the distribution of the reporting institution's total interest earning assets and total interest-bearing liabilities (in asset and liability categories specified by the line item captions of the schedule), by the length of time from the report date to the date of the next re-pricing of the instrument, or from the report date to maturity if the instrument does not re-price.

The schedule has three parts. Part I covers all interest earning assets of the reporting institution as of the report date; part II covers all interest-bearing liabilities of the reporting institution as of the report date; and part III covers the off-balance sheet items which create synthetic assets or liabilities.

In each part, the line item captions designate types of assets, liabilities, or synthetic/derivatives and the kind of information required about them; and column captions designate the breakdown of time periods for the length of time from the report date to the first re-pricing opportunity for floating rate instruments or to maturity date for fixed rate instruments.

Institutions should report assets, liabilities, and synthetics in the re-pricing interval that is consistent with the institutions' own assumptions as reported to their ALCO or board. Rather than basing the entries to the schedule solely on the contractual terms and conditions applicable to the items covered, the institutions should incorporate their current prepayment assumptions into this schedule. FCA expects institutions to use reasonable assumptions that are consistent with those reported to ALCOs, senior management, and board members for other risk-measurement purposes.

Synthetic transactions involve derivative instruments that effectively change the maturity/re-pricing or interest rate structure of a reporting institution's assets or liabilities. Derivative instruments that do not change the maturity/re-pricing structure of the reporting institution's assets or liabilities or do not have an effect on the weighted average interest rate of assets or liabilities on the report date are not pertinent to this schedule and should not be reported under synthetic transactions.

Derivative (synthetic) transactions that are directly tied to assets or liabilities can be netted into the asset or liability sections. For example, if an institution issues 2-year debt and swaps the debt payments into a floating rate payment stream (3-month LIBOR, for example), the institution may report the transactions in part II of the schedule under the "over 1 month through 6 months" column. The impact of the synthetic transaction on the effective interest rate of the asset or liability must be reflected in column G (Weighted Average Rate).

Weighted average interest rate refers to the average annual effective interest rate at which interest accrues as of the report date on the assets or liabilities whose rates are being averaged, where the individual rates are weighted by the dollar amounts of the instruments to which they apply. The weighted average rate for any group of assets or liabilities may be calculated by multiplying the appropriate dollar value of each instrument in the group by the annual effective rate at which interest is accruing on the report date on that instrument; summing the dollar estimates calculated for all instruments in the group; and then dividing that sum by the aggregate dollar value of all the instruments included in the group. For purposes of this schedule, the calculation of average interest rates is to be carried to four decimal places and so reported; for example, 8 2/3 percent would be reported as “00.0867.”

Column Instructions

The captions of columns A through E (for parts I, II, and III) provide the time period specifications for reporting assets and liabilities in terms of the time from report date to maturity or to the next re-pricing opportunity. Distribute the book value of the interest earning assets (part I), interest bearing liabilities (part II), and derivative and other synthetic items (part III) specified in the line captions in accordance with the definitions and instructions above and the column instructions below.

Column	Caption and Instructions
A	**Immediate adjustable interest rate or original maturity through 1 month.** Report in this column those assets, liabilities, or synthetic transactions with immediately adjustable rates or with an original maturity or assumed re-pricing or prepayment of up to and including 1 month from the reporting date.
B	**Over 1 month and through 6 months.** Report in this column those assets, liabilities, or synthetic transactions with an original maturity or assumed re-pricing or prepayment of over 1 month and through 6 months from the reporting date.
C	**Over 6 months and through 1 year.** Report in this column those assets, liabilities, or synthetic transactions with an original maturity or assumed re-pricing or prepayment of over 6 months and through 1 year from the reporting date.
D	**Over 1 year and through 5 years.** Report in this column those assets, liabilities, or synthetic transactions with an original maturity or assumed re-pricing or prepayment of over 1 year and through 5 years from the reporting date.
E	**Over 5 years.** Report in this column those assets, liabilities, or synthetic transactions with an original maturity or assumed re-pricing or prepayment of over 5 years from the reporting date.
F	**Total.** For each line of the schedule that calls for the reporting of amounts outstanding of assets or liabilities, report in column F the total of the amounts reported in columns A through E.
G	**Weighted average rate.** For each type of asset, liability, and synthetic transaction, report the weighted average interest rate as of the reporting data. Amounts

Column	Caption and Instructions
	reported are to be carried out to four decimal places (i.e., 12-2/3 percent weighted average rate is to be reported as "00.1267").

Line Item Instructions

The lines of the schedule specify the types of interest earning assets, interest bearing liabilities, and synthetic transactions on which information must be reported in the schedule and the types of information that must be reported. The types of assets, liabilities, and derivative and other synthetic items to be reported are described below connected with each line. The information reported is the same for each type of asset, liability, and derivative and other synthetic transaction. For each type of asset and liability specified, report in each column that part of the total book value of the asset (or liability, or derivative and other synthetic items) that corresponds with the time (from report date to maturity or first re-pricing opportunity as defined above) specified by the column heading given above.

Item No.	Caption and Instructions
Part I	**Assets.**
1	**Loans.** Report in the appropriate column the amount of accrual loans and lease receivables re-pricing or maturing in the appropriate time period.
2	**Debt Securities.** Report in the appropriate column the amount of debt securities re-pricing or maturing in the appropriate time period.
3	**Other interest earning assets.** Report under this asset category the specified information on any other assets that are interest earning as of the report date that are not properly reportable under the two asset categories above.
4	**Total interest-earning assets.** Report the sum of items 1 through 3.
Part II	**Liabilities.**
5	**System-wide bonds and notes (not applicable to associations).** Report under this liability category the amount of System-wide bonds and notes outstanding in the appropriate time interval consistent with the methodology of reporting used in Schedule RC, item 12(a). Synthetic transactions that modify the re-pricing intervals of these debt instruments can also be reflected by adjusting the amounts in each time interval. If synthetic transactions are included in columns A through E, the impact on the weighted average rate must be reflected in column G.
6	**Intra-system notes payable.** Report under this liability category the amount of notes payable to other System entities in the appropriate time interval.
7	**Other interest-bearing liabilities.** Report under this liability category the specified information on any other liabilities that are interest bearing as of the report date that are not properly reportable under the two liability categories above.
8	**Total interest-bearing liabilities.** Report the sum of items 5 through 7.
Part III	**Derivative and other synthetic items.**

Item No.	Caption and Instructions
	Report on the appropriate line the impact of the specified synthetic transactions. Synthetic transactions have the impact of increasing the amount of assets (receive side of a swap) or the amount of a liability (pay side of a swap). Do not net synthetic transactions that have both pay and receive cash flows on the same line. The weighted average interest rate reported in column G must apply to the total synthetic assets or liabilities reported in column F. Do not include synthetic assets and liabilities that have already been netted against assets or liabilities.
9	**Synthetic assets.** Report the notional amount of synthetic assets under the appropriate time interval column.
10	**Synthetic liabilities.** Report the notional amount of synthetic liabilities under the appropriate time interval column.
11	**GAP.** This amount is the sum of items 4 - 8 + 9 - 10.
12	**Cumulative GAP.** This amount is calculated from item 11.

Schedule RC-N.2: Interest Rate Risk Measurements (Non-FOIA Schedule)

General Instructions

Schedule RC-N.2 must be reported by all banks and specific associations as determined by FCA examination teams.

This schedule requires the reporting of the results of the institution's internal interest rate risk model for measuring interest rate risk. It also contains the institution's projected final net income for the next 12 months and current calendar year. Interest rate risk measurements are reported for the institution's most recent financial projection and for the impact of 200 and 400 basis point instantaneous and sustained shocks in interest rates to a "base case" scenario.

The schedule contains two parts. Part I includes the measurements for individual banks and selected associations; part II is completed only by banks and includes the measurements for district-wide (combined bank and association) data.

This schedule contains two financial scenarios: (1) column A contains the results of the "most likely" or most current financial projection; and (2) column D contains the results of a "base case" scenario that is based on the current balance sheet configuration and current interest rates. The other columns (B, C, E, and F) contain 200 and 400 basis point instantaneous and sustained shocks to the base case (column D) scenario.

FCA recognizes that the risk-measurement systems of the different institutions may have internal differences and limitations in calculating the market value of assets, liabilities, synthetics, and equity. The interest rate risk measurements reported on this schedule, although not necessarily the same, should be fairly compatible and consistent with the risk measurements reported to an institution's ALCO, senior management, and board of directors.

Market value simulation is the process of generating multiple forecasts for future interest rate scenarios and then discounting the estimated cash flows under those rate scenarios to arrive at the current market value of the various assets, liabilities, derivative and other synthetic items, and the market value of equity. This schedule gathers the results of the institution's market value analysis under six interest rate scenarios, as indicated by the six columns. The interest rate scenarios are: (1) the institution's current forecast for market rates; (2) an instantaneous and sustained 400 basis point decrease in "base case" rates; (3) an instantaneous and sustained 200 basis point decrease in "base case" rates; (4) "base case" interest rates as defined below; (5) an instantaneous and sustained 200 basis point increase in "base case" rates; and (6) an instantaneous and sustained 400 basis point increase in "base case" rates.

The market value (net present value) of assets, liabilities, and equity reported in column D of the schedule are calculated from the current (static) balance sheet as of reporting date and a flat (or liabilities or equity (reported in column D) are materially changed by the projected balance sheet values, the institution must include an explanation of the differences in an addendum.

FCA recognizes that market value simulation depends heavily on the assumptions used in the model. For example, market value simulations can incorporate assumptions for fast prepayments (larger early cash flows) from mortgage loans and securities in low-rate scenarios and slow prepayments (smaller early cash flows) from mortgage loans and securities in a high-rate scenario. However, FCA expects the assumptions to be reasonable and supported by some type of study or analysis. FCA would expect, that institutions would change prepayment speeds under the different interest rate scenarios. FCA would also expect the institution's re-pricing of administered rate loans to be reasonable and supported by analysis and/or studies.

Column Instructions

Each column represents a separate scenario under which the risk measurements are reported. With the exception of assumed interest rates, FCA requires that the assumptions used in each scenario be consistent with the institution's most recently updated financial business plan. Some assumptions (such as prepayment speeds) however, would be expected to change based upon the interest rate scenario.

The interest rate assumptions for each of the columns are as follows:

Column	Caption and Instructions
A	**The institution's most recent financial projection.** Interest rates, projected balance sheet configuration, prepayment speeds, etc., should all be based on the institution's most recent financial projection.
B-F	**Plus and minus 200 and 400 basis point shocks to "base case" interest rates.** Projected interest rates for column D ("base case") should be based on current interest rates. The current yield curve as of the reporting date is held constant for the reporting period. Projected interest rates for columns B, C, E, and F should be calculated by shocking the rates used in column D (base case) up or down 200 and 400 basis points. Note: when the current 3-month Treasury bill interest rate at quarter-end is less than 4 percent, both the minus 200 and minus 400 basis point shocks should be replaced with a downward shock equal to one-half of the 3-month Treasury bill rate.

Line-Item Instructions

The lines of the schedule require reporting of: (1) the market value of assets, liabilities, and equity; (2) the duration of assets, liabilities and equity; (3) net interest income; and (4) final net income. Not all items are required for each column. Part I of the schedule requires reporting based on institution only data whereas part II requires reporting of combined district data. Specific line item descriptions are provided below for each of the line items.

Item No.	Caption and Instructions
Part I	**Institution Data (reported by all banks and select associations)**
1	**Market value of assets.**

Item No.	Caption and Instructions
	Report the market value of assets as calculated from the discounted cash flows for each interest rate scenario. The market value of assets should include the value of any applicable synthetic/derivative transactions.
2	**Market value of liabilities.** Report the market value of liabilities as calculated from the discounted cash flows for each interest rate scenario. The market value of liabilities should include the value of any applicable synthetic/derivative transactions.
3	**Market value of equity.** Report the total of the market value of assets minus the market value of liabilities net of any synthetic/derivative transactions.
4	**Net interest income (12 months).** Report the net interest income projected for the next 12 months under the bank's most recent financial projection (column A) and for each other interest rate scenario (columns B through F).
5	**Final net income (12 months).** Report the institution's projected final net income for the next 12 months under the most recent financial projection (column A).
6	**Final net income (balance of current year).** Report the institution's projected final net income for the balance of the current calendar year (column A only). Note: for December's quarter end, report the projected final net income for the next calendar year (For December, lines 5 and 6 should be identical.)
	Note: Items 7, 8, and 9 are reported only under column D (base case). If available, the institution should report "modified" duration. If "modified" duration is not available, Macaulay duration should be reported. If any changes were made to the "Modified" or "Macaulay" duration subsequent to the first reporting period (March 31, 1996), attach an addendum explaining the changes in the duration measurement.
7	**Duration of assets.** Report the duration (in years) of assets as calculated by the institution's internal risk-measurement system.
8	**Duration of liabilities.** Report the duration (in years) of liabilities as calculated by the institution's internal risk-measurement system.
9	**Duration of equity.** Report the duration (in years) of equity as of the report date as calculated by the institution's internal risk-measurement system.
Part II	**Combined District (reported by banks only)**
	NOTE: Items 1 through 4 in part II are reported in columns C, D, and E only.
1	**Market value of assets.** Report the market value of assets as calculated from the discounted cash flows for the combined district's current financial projection. The market value of assets should include the value of any applicable synthetic/derivative transactions.
2	**Market value of liabilities.** Report the market value of liabilities as calculated from the discounted cash flows for the combined district under each of the three interest

Item No.	Caption and Instructions
	rate scenarios. The market value should include the value of any applicable synthetic/derivative transactions.
3	**Market value of equity.** Report the market value of equity as calculated from the discounted cash flows for the combined district under each of the three interest rate scenarios. The market value should include the value of any applicable synthetic/derivative transactions.
4	**Net interest income (12 months).** Report the projected net interest income for the next 12 month period of the combined district under each of the three interest rate scenarios.
5	**Final net income (12 months).** Report the consolidated district's projected final net income for the next 12 months under the most recent financial projection (column A).
6	**Final net income (balance of current year).** Report the consolidated district's projected final net income for the balance of the current calendar year (column A only). Note: for December's quarter-end, report the projected final net income for the next calendar year. (For December, lines 5 and 6 should be identical.)

Schedule RC-O: Asset Purchase and Sales

General Instructions

This schedule requires institutions to report the amount outstanding (principal only), as of the quarter end reporting date, of certain transactions with other Farm Credit and non-Farm Credit institutions involving the purchase and sale of loans, leases and other similar lending and leasing assets that remain outstanding as of the last day of the quarter. Amounts to be reported include transactions that were entered into pursuant to an institution's:

- Lending and participations authorities;
- Similar authorities;
- "Other interest in loans" authorities;
- Leasing authorities; and
- Other lending and leasing authorities of the Act.

Amounts reported in this schedule should not include the purchase and sale of assets reported in Schedule RC, Balance Sheet, as cash, accounts receivable, securities, notes receivable from other Farm Credit institutions, equity investments in other Farm Credit institutions, premises and other fixed assets, or other property owned. However, purchase and sale of participations in notes receivable from System associations (direct loans) should be included in line item 5. Amounts reported in Schedule RC, Balance Sheet, as "other assets" should not routinely be included in this schedule unless the transaction was pursuant to the institution's authorities described above. Note: Exclusions covered in this paragraph may not apply to amounts reported in Memoranda line items 6.a. or 6.b (refer to line item 6 instructions for details).

Do not report in this schedule amounts involving transactions pursuant to the institution's authority to have an investment in farmer notes program or loan transactions with eligible borrowers where the institution has a direct contractual relationship with a non-similar entity borrower via direct involvement in a loan syndication transaction. (See Schedule RC.1, Memoranda, for reporting transactions involving farmer notes programs and non-similar entity loan syndications.)

The schedule distinguishes between transactions with other Farm Credit institutions and those with non-Farm Credit institutions. In addition, the schedule distinguishes transactions completed pursuant to the reporting institution's specific authorities under the Act.

Included with the instructions for Schedule RC-O is a flowchart that provides guidance on how to report a particular loan/lease asset. While the flowchart provides guidance, it may not apply in every situation. Call us for assistance if you need additional guidance or if you have questions on the flowchart.

Column Instructions

Column	Caption and Instructions
A	**Transactions with other Farm Credit Institution.** Report in this column only those amounts that involve the transactions with other Farm Credit institutions, including an ACB, FCB, ACA, PCA, FLCA, or FCS service institution. Amounts involving transactions with Farmer Mac are to be reported as transactions with non-Farm Credit institutions under column B. Exclude transaction amounts that represent Farm Credit bank discounts of eligible loans and direct funding with Farm Credit associations.
B	**Transactions with non-Farm Credit Institution.** Report in this column those amounts that involve the purchase and sale of asset transactions with non-Farm Credit institutions. Amounts involving transactions with Farmer Mac are to be reported under this column. Exclude transaction amounts that represent discounts and funding of eligible loans with OFIs.

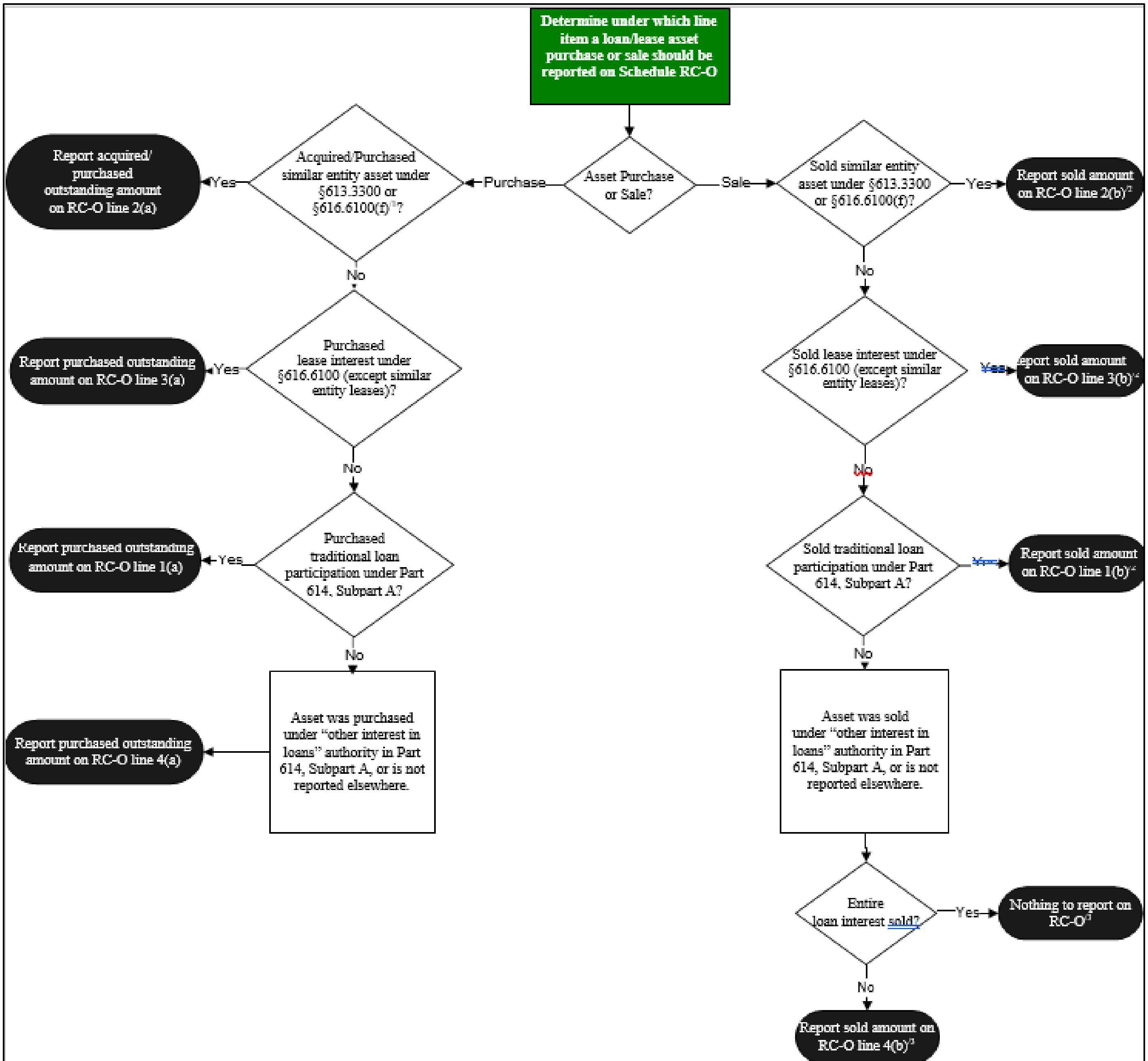
Line-Item Instructions

Item No.	Caption and Instructions
1	**Loan Participations – transactions made under "loan participations" authorities in Part 614, Subpart A for retail loans (excludes similar-entity transactions and lease transactions).** Report, in these sub-items, the amount outstanding of loan participation transactions purchased and sold that were entered into pursuant to an institution's "loan participations" authorities in Part 614, Subpart A of the FCA regulations. Exclude, from these sub-items, amounts involving transactions pursuant to the institution's similar entity, lease, and other interests in loans authorities and direct loan participations. (See items 2, 3, 4, and 5).
1(a)	**Purchased.** Report, in this sub-item, the amount outstanding of loan participation transactions purchased from other Farm Credit and non-Farm Credit institutions as of the quarter-end reporting date.
1(b)	**Sold.** Report, in this sub-item, the amount outstanding of loan participation transactions sold to other Farm Credit and non-Farm Credit institutions as of the quarter-end reporting date that involved assets resulting from an institution's loan-making or "loan participations" authorities.
2	**Similar-entity Transactions – transactions made under similar-entity authorities in § 613.3300 (includes loans and leases).** Report, in these sub-items, the amount outstanding of loan and lease transactions with both Farm Credit and non-Farm Credit institutions that are acquired or sold pursuant to the institution's similar-entity authorities in § 613.3300 of the FCA regulations. This includes all similar-entity loan and lease transactions that are purchased or acquired by one Farm Credit institution from another Farm Credit institution pursuant to its similar-entity authorities. It does not include the purchase or acquisition of such loans that are directly eligible transactions from the perspective of the purchasing or acquiring institution, which should be reported on line 1(a) if obtained via a participation agreement arrangement. Determination of applicable

Item No.	Caption and Instructions
	statutory authority must be documented in the transaction file. Include, in these sub-items, transactions involving both loans and leases.
2(a)	**Acquired or Interest Held.** Report, in this sub-item, the amount outstanding of transactions with other Farm Credit and non-Farm Credit institutions that were acquired pursuant to the institution's similar entity authorities as of the quarter end. Similar-entity transactions include syndications, assignments, loan participations, sub-participations, other forms of the purchase, and transfer of interests in loans or other extensions of credit. Include transactions where the institution serves as the principal agent in the transaction or otherwise has direct exposure not acquired from another institution.
2(b)	**Sold.** Report, in this sub-item, the amount outstanding of similar entity transactions sold. Similar entity transactions include syndications, assignments, loan participations, sub-participations, other forms of the sale or transfer of interests in loans, or other extensions of credit.
3	**Lease purchased and sold.** Report, in these sub-items, the amount outstanding of lease transactions with other Farm Credit and non-Farm Credit institutions that represent purchases and sales (including lease participations) pursuant to the institution's lease authorities in the Act or § 616.6100 of the FCA regulations. Amounts reported in this sub-item are to exclude lease transactions pursuant to the institution's similar entity authorities (See item 2).
3(a)	**Purchased.** Report, in this sub-item, the amount outstanding of purchased transactions with other Farm Credit and non-Farm Credit institutions as of the quarter end.
3(b)	**Sold.** Report, in this sub-item, the amount outstanding of sold lease transactions with other Farm Credit and non-Farm Credit institutions as of the quarter end.
4	**Other Asset Purchase and Sales.** Report, in these sub-items the amount outstanding of loan transactions that are purchased or sold with both Farm Credit and non-Farm Credit institutions pursuant to the institution's: • "Other interests in loans" authorities in Part 614, Subpart A, of the FCA regulations subject to the requirements of Part 614, Subpart H; or • Other purchases and sales of loans not reported elsewhere on this schedule. Section 614.4325 defines "interests in loans" to mean ownership interests in the principal amount, interest payments, or any aspect of a loan transaction and transactions involving a pool of loans, including servicing rights. Since loan participation is a type of "interests in loans", the "other interests in loans" would be everything other than loan participation. Under the "other interests in loans" authorities,

Item No.	Caption and Instructions
	Farm Credit institutions are able to purchase and sell loans for the purpose of pooling and securitizing such loans under title VIII of the Act. (See § 614.4325 and Part 614, Subpart A, of the FCA regulations for additional information on an institution's authorities to purchase and sell "other interest in loans.") Do not include purchase and sale of notes receivable (Direct Loans) from System associations in these sub-items as they are reported in item 5. Also report, in these sub-items, loan syndication transactions (other than those entered into under an institution's similar-entity authorities) that represent an assignment in the transaction that the institution obtained after the original contracts were finalized. (See instruction for Schedule RC.1, Memoranda, item 1(c)). Amounts reported in these sub-items that involve transactions pursuant to any other loan authorities of the institution in the Act or FCA regulations must be fully explained in an addendum. Amounts reported in these sub-items are to exclude loan participation transactions reported in item 1, similar-entity loan or lease transactions reported in item 2, and lease transactions reported in item 3.
4(a)	**Purchased.** Report, in this sub-item, the amount outstanding of purchased transactions with other Farm Credit and non-Farm Credit institutions as of quarter end that were entered into pursuant to the institution's "other interest in loans" authorities and other purchases not reported elsewhere.
4(b)	**Sold.** Report, in this sub-item, the amount outstanding of sold transactions with other Farm Credit and non-Farm Credit institutions as of quarter end that were entered into pursuant to the institution's "other interest in loans" authorities and other sales not reported elsewhere.
5	**Participations in Notes Receivables (Direct Loans) from System Associations.** Report in these sub-items the amount outstanding of loan participations in notes receivable (Direct Loans) from System associations purchased and sold that were entered into pursuant to an institution's "loan participations" authorities in Part 614, Subpart A of the FCA regulations. Exclude from these sub-items amounts involving transactions pursuant to the institution's similar entity, lease, and other interests in loans authorities. (See items 2, 3, and 4).
5(a)	**Purchased.** Report in this sub-item the amount outstanding of loan participations in notes receivable (Direct Loans) from System associations purchased as of the quarter end reporting date.
5(b)	**Sold.** Report in this sub-item the amount outstanding of loan participations in notes receivable (Direct Loans) from System associations sold as of the quarter end reporting date that involved assets resulting from an institution's loan-making or "loan participations" authorities.

Item No.	Caption and Instructions
Memoranda	
6	**Asset Purchases and Sales – Certain Pool Programs.** Report in these memoranda sub-items the amount outstanding of certain asset pools sold between Farm Credit System institutions (typically sold by an association to a funding bank). Only include assets that are 1) maintained in separate pools and 2) the net earnings of these separate pools are anticipated to be substantially returned to the respective selling institution via patronage or other means. (These programs may be used for capital management reasons and are typically designed to be substantially income neutral for the selling institution.) Do not include individual loan participations (or other asset purchases or sales activity) that do not reflect the above-described characteristics. Do not include in these sub-items asset purchases or sales activity related to AgDirect, LLP. Note: This memoranda section provides supplemental reporting of asset purchases and sales activity meeting the above-described characteristics and may include amounts that were not included in lines 1 through 5 above.
6(a)	**Purchased.** Report in this sub-item the amount outstanding (principal only) as of quarter end of asset pools purchased from other Farm Credit System institutions that meet the above-described characteristics.
6(b)	**Sold.** Report in this sub-item the amount outstanding (principal only) as of quarter end of asset pools sold to other Farm Credit System institutions that meet the above-described characteristics.



NOTE: Although not specifically shown, the 'Purchased' and 'Sold' amounts reported on Schedule RC-O must be segregated between Farm Credit institutions and non-Farm Credit institutions.

[1] This includes all similar-entity loan and lease transactions that are purchased or acquired by one Farm Credit institution from another Farm Credit institution pursuant to its similar- entity authorities. However, effective October 24, 2006, it does not include the purchase or acquisition of such loans that are directly eligible transactions from the perspective of the purchasing or acquiring institution, which should be reported on line 1(a) if obtained via a participation agreement arrangement.

[2] All purchases and sales (even on the same asset) should continue to be reported on this schedule for as long as the reporting institution has an interest/role in the underlying asset (and the asset has an outstanding balance due from the customer). Note that participation sales, even 100% participations, are sales of cash flows and do not end the selling institution's role in an asset as it is still the contract holder. In contrast, the sale of an entire asset ends the selling institution's interest/role in the sold asset.

[3] Note that the amount reported on RC-O line 4(b) will generally be zero even if there are "other interest" sales. An "other interest" sale involving the sale of an entire asset ends the interest/role of the selling institution in the underlying asset; thus, there is no continuing amount to report on Schedule RC-O.

Schedule RI: Income and Comprehensive Income Statement

The amounts to be reported in this schedule are revenues, expenses, gains, and losses that under GAAP are to be included in net income and comprehensive income by the reporting institution over the calendar quarter ending with the close of business on the report date. All revenues, expenses, gains, and loss items are to be reported on an accrual accounting basis. For instance, revenue is reported when earned, not when received, and expenses are recorded when incurred, not when paid.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Interest income.** Report in the appropriate sub-items interest and fee income earned on assets held by the reporting institution. For all the sub-items, as appropriate, include the proportionate share of interest earned on loans and other assets purchased by the reporting institution from others, both outright and in the form of participations. Exclude interest earned on loans sold to others, either outright or in the form of participations. For all the sub-items, as appropriate, include any gains or losses from ineffective or discontinued hedges related to interest bearing assets in accordance with ASC Topic 815, Derivatives and Hedging. For all the sub-items, as appropriate, include the current quarter's accretion of discount on discounted loans and other assets purchased at a discount from par; and deduct the amortization of premium on assets purchased at a premium above par. Also include the amortization of points charged on loans. The reporting of such accretion and amortization shall be in accordance with GAAP and FCA regulations, standards, and guidelines. For all sub-items, as appropriate, include the current quarter's amortization of loan and other fees as appropriate in accordance with ASC Subtopic 310-20, Nonrefundable Fees and Other Costs. For all sub-items, as appropriate, deduct interest rebated to customers on loans paid before maturity from interest earned on loans; do not report such rebates as an expense. Do not deduct for any of the sub-items any interest expenses. All interest expenses are to be reported gross in the appropriate sub-items of item 2 of this schedule.
1(a)	**Interest on loans and leases.** Report in this item interest earned for the quarter on the reporting institution's holdings of loans and leases (as these are defined for Schedule RC, item 4(a)) in accordance with the instructions for item 1

Item No.	Caption and Instructions
	above. Income earned on lease financing arrangements should be reported in accordance with GAAP and as specified in ASC Topic 840, Leases. Include in this item the accretion of discount on the reporting institution's own holdings of its own acceptances. Exclude from this item the accretion of discount on holdings of acceptances of other institutions; this is to be reported in item 1(e). Include penalty interest on loans and interest on extensions of matured loans.
1(b)	**Interest on notes receivable from other Farm Credit System institutions.** Report in this item interest earned for the quarter on the reporting institution's holdings of notes receivable (as these are defined for Schedule RC, item 4(b)) in accordance with the instructions for item 1 above.
1(c)	**Interest on notes receivable from others.** Report in this item interest earned for the quarter on the reporting institutions holdings of notes receivable (as these are defined for Schedule RC, item 4(c)) in accordance with the instructions for item 1 above.
1(d)	**Interest on sales contracts.** Report in this item interest earned for the quarter on the reporting institution's holdings of sales contracts (as these are defined for Schedule RC, item 4(d)) in accordance with the instructions for item 1 above.
1(e)	**Interest and other income on securities.** Report in this item interest earned for the current quarter on the reporting institution's holdings of securities (as these are defined for Schedule RC, item 2) in accordance with the instructions for item 1 above. Exclude from this item amounts received for dividend and patronage distributions from other Farm Credit institutions. These are to be reported in item 5(a) below.
1(f)	**Other interest income.** Report in this item any interest earned that is not properly reportable under items 1(a) through 1(e). This includes penalty interest and fees received from loan prepayments.
1(g)	**Total interest income.** Report in this item the sum of the amounts reported in items 1(a) through 1(f) above.
2	**Interest expense.** Report in the appropriate sub-items interest expenses on liabilities owed by the reporting institution. For all the sub-items, as appropriate, include any gains or losses from ineffective or discontinued hedges related to interest bearing debt in accordance with ASC Topic 815, Derivatives and Hedging.

Item No.	Caption and Instructions
	Include in each sub-item, as appropriate, the current quarter's accretion of discount on bonds, notes, and other liabilities issued by the reporting institution at a discount from par; and deduct the amortization of premium and/or concession on bonds, notes, and other liabilities issued at a premium above par or charged a concession upon issuance of the debt. The reporting of such accretion and amortization shall be in accordance with GAAP and FCA regulations, standards, and guidelines.
2(a)	**System-wide notes and bonds.** Report in this item the reporting institution's interest expenses for the current quarter on its liabilities in the form of System-wide bonds and medium-term notes and consolidated System-wide notes (as these are defined in Schedule RC, item 12(a)) in accordance with the instructions for item 2 above. Include in this item the Federal Farm Credit Banks Funding Corporation's (FFCBFC's) assessment to the reporting institution representing expenses directly incident to the sale, redemption, and servicing of Farm Credit securities by the FFCBFC and expenses for the operation of the FFCBFC's office.
2(b)	**Notes payable to other Farm Credit System institutions.** Report in this item the reporting institution's interest expenses for the current quarter on its liabilities in the form of notes payable to Farm Credit institutions (as defined for Schedule RC, item 12(b).)
2(c)	**Other interest-bearing debt.** Report in this item all interest expenses of the reporting institution for the current quarter that are not properly reportable in items 2(a) or 2(b) above. Include in this item accrued interest costs for the current quarter payable by the reporting institution in connection with such liabilities as Farm Credit investment bonds, trust accounts, other bonds, escrow accounts, future payment funds, and the like. Include in this item commitment fees paid by the reporting institution for maintaining lines of credit with commercial banks. Include in this item fees or commissions charged to the reporting institution by brokers for initiating and maintaining futures transactions.
2(d)	**Total interest expense.** Report in this item the sum of the amounts reported by the reporting institution in items 2(a) through 2(c) above.
3	**Net interest income.** Report in this item the amount reported in item 1(g) less the amount reported in item 2(d).
4	**Provisions for credit losses.**
4(a)	**On loans, sales contracts, notes, and leases.** The reporting institution must report in this item a provision for losses on these loan assets for the current quarter that will maintain the reporting institution's allowance for credit losses in accordance with GAAP and with FCA regulations, established procedures, and

Item No.	Caption and Instructions
	guidelines. If the amount reported is a reversal of the provision, report it with a preceding minus sign. The amount reported must equal the amount reported on Schedule RI-E, item 2.
4(b)	**On off-balance sheet exposures.** For the current quarter, report in this line item the provision for (or release of) the reserve for credit losses on off-balance sheet exposures, including unfunded commitments. If the amount reported is a reversal of the reserve, report it with a preceding minus sign. If an unfunded commitment or other off-balance sheet exposure that has a reserve for credit losses is funded, the related reserve should be (released) through line 4(b). If an allowance is simultaneously established on the now funded exposure, a provision to fund this allowance must be reflected in line 4(a) in accordance with GAAP.
4(c)	**On debt securities** For this item, institutions must report the provision for credit losses on debt securities for the current quarter that will maintain the allowance for credit losses on debt securities in accordance with GAAP and FCA regulations (refer to the general instructions related to the preparation of Schedule RI-E.1 for more information). If the amount reported is a reversal of the provision, report it with a preceding minus sign. The amount reported must equal the amount reported on Schedule RI-E.1, line item 2, columns B and C.
5	**Noninterest income.**
5(a)	**Patronage, dividends, etc., from other Farm Credit institutions.** Report in this item the total amount receivable in the current quarter by the reporting institution from other Farm Credit institutions of patronage refunds in the form of stock, participation certificates or cash, dividends (cash or stock), or other equity allocations of earned surplus.
5(b)	**Operating income.** Report in this item the amount reported by the reporting institution in Schedule RI A, item 8.
5(c)	**Other noninterest income.** Report in this item any noninterest income of the reporting institution that is not properly reportable in Schedule RI A or Schedule RI B.
5(d)	**Total noninterest income.** Report in this item the sum of the amounts reported in items 5(a), 5(b), and 5(c).
6	**Net gains or losses.** Report in this item the amount reported by the reporting institution in Schedule RI B, item 7. If that amount is a net loss, report it with a preceding minus sign.
7	**Total noninterest expense.** Report in this item the amount of operating expenses reported by the reporting institution in Schedule RI C, item 9, and the amount of other non-interest expense reported by the reporting institution in Schedule RI C.1, item 5.
8	**Income (or loss (-)) before income taxes and other adjustments.**

Item No.	Caption and Instructions
	Report in this item the net sum of items 3 – 4(a) – 4(b) – 4(c) + 5 (d) + 6 – 7. If a net loss is calculated, report it with a preceding minus sign.
9	**Less: applicable income tax.** Report in this item, as appropriate, the reporting institution's estimate of its liability for Federal, State, and local income taxes that would be applicable to income as reported in item 8. Include both the current and deferred portions of such estimated applicable income taxes. Amounts reported in this line item are to be accounted for in accordance with ASC Topic 740, Income Taxes, and other applicable guidance. If the amount to be reported is an estimated tax benefit rather than a tax expense, report the amount with a preceding minus sign. Exclude from this item estimated income tax liability applicable to items required to be reported in item 11, "Other adjustments." Also exclude the amount of any material adjustments or settlements reached with a taxing authority relating to disputed income taxes of prior years; these are to be reported in other noninterest expense or other noninterest income as appropriate.
10	**Income (or loss (-)) before other adjustments (item 8 -9).** Report in this item the amount reported in item 8 less the amount reported in item 9. If this calculation results in a net loss, report the amount with a preceding minus sign.
11	**Other adjustments*.** Report in this item, as appropriate, the amounts for such transactions as the following: (a) The cumulative effect of all changes in accounting principles except those that are required to be reported in Schedule RI D, item 4. (b) Material aggregate gains and losses from disposals of segments of the reporting institution's business, as determined in accordance with the provisions of APB Opinion No. 30. (c) Material net gains and losses from disposals of significant assets within 2 years after a business combination. Each of the components of item 11 is to be reported net of the reporting institution's estimate of its liability for Federal, State, and local income taxes applicable to the items reported in item 11 for the current reporting period. Some of the components of item 11 may be net gains and others may be net losses. In item 11, report a single figure for the net amount of the various gain and loss amounts added together. If the resulting net amount to be reported is a loss, report it with a preceding minus sign. Amounts reported in this item must be fully explained in an addendum.
12	**Net income or loss (or loss (-)) (items 10 + 11) (must equal Schedule RI-D, Col F, item 6).**

Item No.	Caption and Instructions
	Report in this item the sum of the amounts reported in items 10 and 11, taking due regard for any loss amounts reported for these two items. If the resulting sum is a loss, report it with a preceding minus sign.
Other Comprehensive Income (net of tax and reclassification adjustments)	
13	**Securities.**
13(a)	**Unrealized holding gains (or losses on securities).** Report in this item the amount of unrealized holding gains or losses on securities, net of tax and reclassification adjustment, resulting from the changes in the fair value of securities classified as "available for sale" in accordance with ASC Topic 320, Investments-Debt Securities and ASC Topic 321 Investments-Equity Securities. If the amount represents a reduction to other comprehensive income, report the amount with a preceding minus sign. Unrealized holding losses recognized in the current period (i.e., where a security's fair value is less than its amortized cost) should only be included in this line item for securities where the present value of expected cash flows equals or exceeds amortized cost. For securities in a loss position where the present value of expected cash flows is less than amortized cost at the end of the current reporting period, any non-credit related impairment recognized in the current reporting period should be reported separately in line 13(b) of this schedule. Credit related impairments should be recognized in the current reporting period either through an allowance with related provisions recorded in line 4(c) of this schedule, or, to the extent that such losses are expected to be realized through the sale of a debt security, a direct write down of the asset's carrying value with the related loss recorded in line 6 of this schedule, and line 6 of schedule RI-B.
13(b)	**Non-credit impairment on securities available-for-sale** Report in this item the amount of non-credit related impairment on securities available-for-sale recognized in the current reporting period. Amounts recorded here should reflect changes in the current reporting period in the difference between the net present value of an asset's expected cash flows and its fair value at the end of the reporting period. The change in the current reporting in the difference between an asset's amortized cost and the net present value of the expected cash flows should either be recognized through an allowance with related provisions recorded in line 4(c) of this schedule, or, to the extent that such losses are expected to be realized through the sale of a debt security, a direct write down of the asset's carrying value with the related loss recorded in line 6 of this schedule, and line 6 of schedule RI-B.
14	**Pension adjustments.** Report in this item the amount of minimum pension liability adjustments, net of tax and reclassification adjustments, resulting from the recognition of an unfunded accumulated benefit obligations in accordance with ASC Topic 715, Compensation-Retirement Benefits. If the amount represents a reduction to other comprehensive income, report the amount with a preceding minus sign.
15	**Cash flow hedge adjustments.**

Item No.	Caption and Instructions
	Report in this item the amount of cash flow hedge adjustments in accordance with ASC Topic 815, Derivatives and Hedging. If the amount represents a reduction to other comprehensive income, report the amount with a preceding minus sign.
16	**Other comprehensive income adjustments.** Report in this item the amount of other revenue, expense, gain, and loss items, net of tax and reclassification adjustments, appropriately reported in other comprehensive income in accordance with ASC Topic 220, Comprehensive Income. If the amount represents a reduction to other comprehensive income, report the amount with a preceding minus sign.
17	**Net other comprehensive income or loss.** Report in this item the sum of the amounts reported in items 13(a), 13(b), and 14 through 16, taking into regard any items that are expense or loss amounts. If the resulting sum is a loss, report it with a preceding minus sign.
18	**Comprehensive income or loss.** Report in this item the net sum of items 12 and 17. If a net loss is the resulting sum, report it with a preceding minus sign.
Memoranda	
19(a)	**Interest income on direct loans to associations (FCBs and ACBs only).** Report the amount of interest income earned on the district bank's direct loan to its related associations. This item corresponds to item 1(a) of Schedule RC.1.
19(b)	**Interest income on nonaccrual loans (including cash-basis and other nonaccrual loans).** Report the amount of interest income recognized on a cash-basis from cash-basis nonaccrual loans as well as any interest income recognized at the time that a nonaccrual loan is reinstated to an accrual status.
20	**Interest expense on notes payable/direct loans to district bank (ACAs, PCAs, and FLCAs only).** Report the amount of the association's interest expense on its notes payable/direct loan from the district bank. This item corresponds to item 3(e) of Schedule RC.1.
21	**Patronage on Asset Purchases and Sales – Certain Pool Programs.** Report in these sub-items the amount of patronage income declared or receivable on certain loan pools sold between Farm Credit System institutions (typically sold by an association to a funding bank). Include patronage activity on only those assets that are 1) maintained in separate pools and 2) the net earnings of these separate pools are anticipated to be substantially returned to the respective selling institution via patronage or other means. (These programs may be used for capital management reasons and are typically designed to be substantially income neutral for the selling institution.) Do not include any patronage activity on individual loan participations (or other asset purchases or sales activity) that do not reflect the above-described characteristics. Do not include in these sub-items patronage activity related to AgDirect, LLP.
21(a)	**Declared.**

Item No.	Caption and Instructions
	Report in this sub-item the total amount of patronage declared in the current quarter by the reporting institution related to asset pools purchased from other Farm Credit System institutions that meet the above-described characteristics. Note that this amount should be a subset of the amount reported in Schedule RI-D line 8.
21(b)	**Receivable.** Report in this sub-item the total amount of patronage receivable in the current quarter by the reporting institution related to asset pools sold to Farm Credit System institutions that meet the above-described characteristics. Note that this amount should be a subset of the amount reported in Schedule RI line 5a.

Schedule RI-A: Operating Income

General Instructions

This schedule covers the reporting institution's noninterest income that is attributed to the institution's primary loan operations and other operations the institution is authorized to perform. Income amounts should be accounted for in accordance with applicable regulations, FCA guidelines, policies, and GAAP.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Financially related services.** Report the amount of consideration received by the reporting institution in connection with financially-related services, including commissions, dividends, fees, etc., from credit life, credit disability, Agrifax, crop, hail insurance, and other similar programs.
2	**Compensation income.** Report the amount of consideration received by the reporting institution as compensation for performing servicing actions on loans that are on the books of other institutions. This would include compensation from participations sold.
3	**Fee income.** Report the amount of consideration received by the reporting institution for services provided to borrowers in connection with loans, including fees charged for partial releases, loan transfers, loan origination, etc.
4	**Mineral income.** Report the amount of consideration received by the reporting institution from the leasing of mineral rights owned. These amounts should include rental and royalty payments.
5	**Financial assistance received.** Report the amount of payments received or accrued by the reporting institution that represents consideration under a financial assistance program.
6	**Income from other property owned.** Report the amount of consideration received or accrued by the reporting institution in connection with other property owned operations in accordance with ASC Topic 606, Revenue from Contracts with Customers, and ASC Subtopic 610-20, Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets, and other applicable accounting guidance. Exclude from this amount any non-income expense amounts (see Schedule RI C.1, item 3) and gains/losses from disposition (see Schedule RI B, item 2).
7	**Other.** Report the amount of all other noninterest income amounts received or recognized in connection with the reporting institution's operations. If the amount reported in this item is material or represents a significant change from that reported in the prior quarter, the amount must be fully explained in an addendum.
8	**Total operating income.**

Item No.	Caption and Instructions
	Report the sum of items 1 through 7 above. This same amount must be reported on Schedule RI, item 5(b).

Schedule RI-B: Net Gains and Losses

General Instructions

This schedule covers the reporting institution's net gains and losses on asset sales and other transactions during the reporting period. It provides supporting detail for item 6, "Net gains or losses," of Schedule RI.

For asset sales covered in the schedule, the gains and losses to be reported are the excesses or deficiencies of sale proceeds over carrying values, at the time of sale, of those assets sold during the current reporting period.

For each type of asset sale and other transaction, the schedule requires the reporting of net gains or losses as well as gains and losses identified separately.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Net gains or losses on sales of securities.** Report in this item gains and losses on sales of types of assets the holdings of which are reported by the reporting institution in Schedule RC, item 2, "Securities."
2	**Net gains or losses on other property owned.** Report in this item gains and losses on holdings of other property owned which are reported by the reporting institution in Schedule RC, item 8.
3	**Net gains or losses on sales of other assets.** Report in this item gains and losses on sales of types of assets that are not properly reportable in items 1 and 2 above. This would include the gains and losses from the sale of such assets as fixed assets, buildings, land, premises, etc., held by the reporting institution for its own use or for investment.
4	**Net gains (losses) on sales of loans and leases and on loans and leases held for sale.** Report the amount of net gains (losses) on sales and other disposals of loans and leases, and net gains (losses) on loans and leases held for sale.
5	**Net gains or losses on other transactions.** Report in this item gains or losses on other transactions, such as extinguishments or debt or realized tax benefits of operating loss carry forwards, but exclude such items more appropriately reported under Schedule RI, item 11, or any other Schedule RI items.
6	**Impairment on available-for-sale debt securities.** Report in this line-item impairment losses recognized in the current reporting period on available-for-sale debt securities. Impairment is recognized through earnings when 1.) the fair value of the security is less than its amortized cost basis, and 2.) management intends or will be required to sell the asset before recovery of the full amortized cost basis occurs. For assets where these conditions are not met, current period impairment losses are recognized through an adjustment to (i) the allowance for credit losses and related provision for credit

Item No.	Caption and Instructions
	components of impairment and (ii) other comprehensive income for non-credit components thereof.
7	**Total net gains or losses.** Report the sum of items 1 through 6 above. This total amount must be reported on Schedule RI, item 6.

Schedule RI-C: Operating Expenses

General Instructions

This schedule covers the detailed reporting of expenses incurred by an institution from operations. The amounts reported on this schedule are not to include any interest expenses associated with debt issued by the institution or other expenses incurred that are not appropriately classified as operating expenses.

The schedule requires the reporting of various categories or kinds of operating expenses, including lease expense on operating leases or amortization of finance-type leases, as specified by each item number. The institution shall follow acceptable accounting practices in reporting amounts as classified in this schedule.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Salaries and employee benefits.** Report the amount of compensation that represents salaries and employee benefits paid by the reporting institution to all employees. Include gross salaries and overtime wages for regular and part time employees (amounts paid to individuals working under contract are often more appropriately classified as "Purchased Services.")
2	**Directors' compensation.** Report the amount of compensation or fees paid by the reporting institution to its directors in the performance of their responsibilities. This shall include amounts paid as compensation for attendance at regular and special board meetings and meetings in connection with the performance of assignments, the reimbursement of a director's travel and subsistence expenses incurred while serving in the capacity of a director of the institution, or any other compensation.
3	**Occupancy and equipment expenses.** Report the amounts expensed by the institution attributed to the occupation and maintenance of office space. Expenses associated with office equipment are to be included with the amounts reported. Depreciation expense on office facilities and equipment should also be reported with these amounts. Depreciation on computer equipment and vehicles should not be reported with these amounts.
4	**Purchased services.** Report the amounts expensed by the reporting institution for services performed by outside contractors, consultants, etc.
5	**Data processing.** Report the amounts expensed by the reporting institution for data processing equipment or related software associated with internal computer/EDP facilities and/or expenses paid for data processing by an outside service vendor.
6	**Compensation.** Report the amount of compensation paid by the reporting institution to another party for performing servicing actions on loans that are on the books of the reporting institution. This would include compensation paid for servicing actions performed by others on loan participations purchased.

Item No.	Caption and Instructions
7	**Farm Credit System Insurance Corporation premium expense.** Report the amount of premiums paid to the Farm Credit Insurance Corporation as required by 12 CFR part 1410.
8	**Other.** Report the amount of all other noninterest expenses paid or incurred in direct connection with the reporting institution's operations. If the amount reported in this item is material or represents a significant change from that reported in the prior quarter, the amount must be fully explained in an addendum.
9	**Total operating expenses.** Report the sum of items 1 through 8 above. This total amount must be included in the amount reported on Schedule RI, item 7.

Schedule RI-C.1: Other Noninterest Expenses

General Instructions

This schedule covers the reporting institution's other noninterest expenses (those not directly associated with the ongoing operating expenses of the institution). The amounts reported in this schedule are not to include any interest expenses associated with debt issued by the reporting institution or other expenses incurred that are more appropriately classified as operating expenses on Schedule RI C. The institution shall follow acceptable accounting practices in reporting amounts in this schedule.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Financial assistance provided.** Report the amount of payments made or accrued by the reporting institution that represents an expense under a financial assistance program.
2	**Financial Assistance Corporation (FAC) debt expense.** Report the amount of payments made or accrued expenses related to the payment of FAC debt.
3	**Other property owned expense.** Report the amount of expenses paid or accrued by the reporting institution in connection with other-property-owned operations in accordance with ASC Subtopic 360-10, Property, Plant and Equipment, and other applicable accounting guidance. Exclude from this item any income received or accrued (see Schedule RI A, item 6) and gains/losses from disposition (see Schedule RI B, item 2).
4	**Miscellaneous—other.** Report in this item any miscellaneous other noninterest expenses that are not appropriate to report in any other items on this schedule. If the amount reported in this item is material or represents a significant change from that reported in the prior quarter, the amount must be fully explained in an addendum.
5	**Total other noninterest expense.** Report in this item the sum of items 1 through 4 above. This total amount must be included in the amount reported on Schedule RI, item 7.

Schedule RI-D: Changes in Net Worth

General Instructions

This schedule covers the detailed reporting for the institution's changes in capital. The schedule, which must add across and down, is designed to provide a complete reconciliation of all increases and decreases (and reasons therefore) of the institution's individual net worth accounts from the end of the prior period to the end of the current period.

Columns A through I of the schedule call for information to be reported by specific net worth categories. The category for each column equates with those items set forth in Schedule RC, "Balance Sheet." Each of the categories for this schedule, however, is net of any impairments. The categories equate to Schedule RC items as follows:

Category	Schedule RI-D	Schedule RC
Capital Stock and Participation Certificates	Column A, item 12	Items 1 through 5
Paid-in Capital	Column B, item 12	Item 6
Qualified Allocated Surplus	Column C, item 12	Item 9
Nonqualified Allocated Surplus	Column D, item 12	Item 10
Surplus Reserve	Column E, item 12	Item 13
Earned Surplus Unallocated	Column F, item 12	Item 11
Total Net Worth	Column G, item 12	Item 14

Column K, the Total Net Worth category, must report the sum of amounts in columns A through J plus any amounts appropriately categorized as "Accumulated Other Comprehensive Income" in accordance with ASC Topic 220, Comprehensive Income (formerly SFAS No. 130, Reporting Comprehensive Income).

As mentioned, all beginning, amended, and ending balances are to be reported net of any impairment, if applicable. The information required pertaining to activity during the quarter for each net worth category is specified in items 1 through 11 of this schedule.

Regarding the application of earnings and losses, if it is clearly the institution's intention to allocate earnings to its stockholders at the end of the year (or where it is imposed by bylaws), accruals for such allocations must be made in quarterly Call Reports when considered material. Likewise, operating losses must be allocated to the proper net worth and capital accounts as required by the Act, FCA regulations, and institution bylaws.

On each line, amounts representing an addition to any column category must be reported as a positive amount (i.e., $5 million in stock issued must be reported as 5000). Amounts representing reductions to any column category must be reported as a negative amount (i.e., $5 million in stock retirement must be reported as –5000).

Column Instructions

The columnar headings are based on the net worth accounts listed in Schedule RC, "Balance Sheet," and are broken down as follows:

Column	Caption and Instructions
A	**Capital stock purchased.** Report in this column the beginning amount, ending amount, and the causes of changes in purchased capital stock and participation certificates issued by the institution. Report both protected and unprotected stock

Column	Caption and Instructions
	under section 4.9A, "Protection of Borrower's Stock," of the Act. The sum of rows 1 through 11 must equal the ending balance in row 12.
B	**Capital Stock Allocated.** Report in this column the beginning amount, ending amount, and the causes of changes in allocated capital stock issued by the institution. The sum of rows 1 through 11 must equal the ending balance in row 12.
C	**Noncumulative Perpetual Preferred Stock.** Report in this column the beginning amount, ending amount, and the causes of changes in noncumulative perpetual preferred stock that qualifies as Additional Tier 1 capital. The sum the rows 1 through 11 must equal the ending balance in row 12.
D	**Other Types of Perpetual Preferred Stock.** Report in this column the beginning amount, ending amount, and the causes of changes in other types of preferred stock. Examples of items reported in this column include cumulative perpetual term stock, and "continuously redeemable" preferred stock such as Harvest stock (H-stock). "Continuously redeemable" preferred stock is perpetual because the stock has no stated maturity. The sum rows 1 through 11 must equal the ending balance in row 12.
E	**Paid-in Capital.** Report in this column the beginning amount, ending amount, and the causes of changes in paid-in capital. This column includes additional-paid-in-capital related to the merger of two institutions and the amount paid above par for when issuing and repurchasing preferred stock. The sum of rows 1 through 11 must equal the ending balance in row 12.
F	**Qualified Allocated Surplus.** Report in this column the beginning amount, ending amount, and the causes of changes in "qualified allocated surplus". This item represents the accumulation of patronage and dividends distributed as qualified allocated surplus in which a written notice of allocation was provided to member-borrowers as prescribed in Sub-chapter T of the Internal Revenue Code. Normally, the written notice of allocation will state the board, at its discretion, may redeem the equity for cash at some future date. The sum of rows 1 through 11 must equal the ending balance in row 12. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
G	**Nonqualified Allocated Surplus Subject to Retirement.** Report in this column the beginning amount, ending amount, and the causes of changes in "nonqualified allocated surplus subject to redemption or revolvement". This item represents the accumulation of patronage and dividends distributed as nonqualified allocated surplus in which a written notice of allocation was provided to member-borrowers as prescribed in Subchapter T of the Internal Revenue Code. Normally the written notice of allocation will state the board, at its discretion, may redeem the equity for cash at some future date. The sum of rows 1 through 11 must equal the ending balance in row 12. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
H	**Nonqualified Allocated Surplus Not Subject to Retirement.** Report in this column the beginning amount, ending amount, and the causes of changes in "nonqualified allocated surplus not subject to revolvement". This item represents "Unallocated retained earnings equivalents" as prescribed in FCA Regulation § 628.2. Specifically, this

Column	Caption and Instructions
	item represents the accumulation of patronage and dividends distributed as nonqualified allocated surplus in which a written notice of allocation was provided to member-borrowers as prescribed in Subchapter T of the Internal Revenue Code. Normally, the written notice of allocation will state that the board does not intend to redeem or revolve this equity in the future except on dissolution or liquidation of the institution. The sum of rows 1 through 11 must equal the ending balance in row 12. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
I	**Unallocated Retained Earnings.** Report in this column the beginning amount, ending amount, and the causes of changes in unallocated retained earnings. The Institution has unrestricted use of this capital, since the board of directors did not allocate this capital to any member-borrowers. Include in unallocated retained earnings any "attributed" or "memo" surplus in which the institution has assigned to members without providing a written notice of allocation prescribed in Subchapter T of the Internal Revenue Code. Amounts reported here should NOT include allocated equities or allocated surplus that meet the criteria of columns B, F, G, or H G, or H). The sum of rows 1 through 11 must equal the ending balance in row 12. See Sch. RC instructions for additional information on UNRETERN.
J	**Accumulated Other Comprehensive Income (AOCI).** Report in this column the beginning amount, ending amount, and the causes of changes in accumulated other comprehensive income (AOCI). The sum of rows 1 through 11 must equal the ending balance in row 12.
K	**Total Net Worth.** Report in this column the beginning amount, ending amount, and the causes of changes in total net worth. The total for this column represents the net other comprehensive income (loss) for the quarter. The sum of rows 1 through 11 must equal the ending balance in row 12.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Beginning balance.** Report the beginning balance of each net worth category. Amounts reported on this row should equal the ending balance of each respective category on Schedule RI-D from the prior period. The total reported in column K must equal the sum of prior columns and represents the total amount of net worth at the beginning of the reporting period.
2	**Prior Period & Accounting Adjustments.** Report any prior period and accounting adjustments, including: adjustments made in the prior quarter to reflect corrections made between the time the prior period report was submitted to FCA and the submission of the current period report; and the cumulative effect of a change in accounting principle. For additional information on this issue, the institution should consult Accounting Standards Codification 250: "Accounting Changes and Error Corrections." The sum of columns A through J must equal the total in column K.
3	**Net Income.**

Item No.	Caption and Instructions
	Report net income (loss) for the quarter. The amount reported in column I must equal the net income (loss) for the current quarter and must equal the amount reported on Schedule RI, line 12. The sum of columns A through J must equal the total in column K; this sum represents total net income during the quarter.
4	**Other Comprehensive Income.** Report other comprehensive income (loss) for the quarter. The amount reported in column J must equal the net other comprehensive income (loss) for the quarter and must equal the amount reported on Schedule RI, line 17. The sum of columns A through J must equal the total in column K; this sum represents net other comprehensive income (loss) during the quarter.
5	**Patronage Distributions.** Report patronage refund distributions during the quarter in the form of: • Allocated capital stock in column B. • Noncumulative perpetual preferred stock in column C. • Other types of preferred stock in row column D. • "Qualified allocated surplus" in column F. • "Nonqualified allocated surplus subject to revolvement" in column G. • "Nonqualified allocated surplus not subject to revolvement" in column H. • Cash in column K. Report total patronage distributions regardless of form as a decrease to column I. The sum of columns A through J must equal the total in column K; this sum represents patronage distributions paid in cash or accrued during the quarter. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
6	**Dividends.** Report dividends paid during the quarter in the form of: • Allocated capital stock in column B. • Noncumulative perpetual preferred stock in column C. • Other types of preferred stock in row column D. • "Qualified allocated surplus" in column F. • "Nonqualified allocated surplus subject to revolvement" in column G. • "Nonqualified allocated surplus not subject to revolvement" in column H. • Cash in column K. Report total dividends regardless of form as a decrease to column I. The sum of columns A through J must equal the total in column K; this sum represents dividends paid in cash or accrued during the quarter. Since this row generally represents cash dividends paid on preferred stock issuances, any entries in columns B through H are rare and must be explained in an addendum to the schedule. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
7	**Stock Issued.** Report stock issued during the quarter. Specifically:

Item No.	Caption and Instructions
	• Issuance of capital stock and participation certificates is reported in column A. • Issuance of Noncumulative perpetual preferred stock that is included in Additional Tier 1 capital is reported in column C. • Issuance of other types of preferred stock is reported in column D. Report total stock issued regardless of form in column K. The sum of columns A through J must equal the total in column K; this sum represents the total amount of stock issued during the quarter. This row should not include allocated stock issued during the quarter (report such allocated stock issuances in Row 5 - "Patronage Distributions").
8	**Stock Retired.** Report stock retired during the quarter. Specifically: • Retirement of capital stock and participation certificates is reported in column A. • Retirement of noncumulative perpetual preferred stock that is included in Additional Tier 1 capital is reported in column C. • Retirement of other types of preferred stock is reported in column D. Report total stock retired regardless of form in column K. The sum of columns A through J must equal the total in column K; this sum represents the total amount of stock retired during the quarter. This row should NOT include allocated stock retired during the quarter (report such allocated stock retirements in Row 10 - "Allocated Equity Retired").
9	**Paid-in Capital Adjustments.** • Report the adjustments (net increase/ decrease) to paid-in capital during the quarter in column E and column K.
10	**Allocated Equity Retired.** Report allocated equity retired during the quarter in the form of: • Allocated capital stock and participation certificates in column B; • "Qualified allocated surplus" retired in column F; • "Nonqualified allocated surplus subject to retirement" in column G; and. • "Nonqualified allocated surplus not subject to retirement" in column H (any amounts reported in column H must be explained in an addendum to the schedule). Sum columns A through J and report the total in column K, this sum represents the total amount of allocated equities retired during the quarter. This row should not include purchased stock retired during the quarter. (Some institutions may refer to "allocated surplus" as "allocated retained earnings.")
11	**Other.** Report other transfers among capital accounts during the quarter. The sum of columns A through J must equal the total in column K; this sum will generally equal 0 as additions to one column are offset by deductions to other columns. Any entries in this row should be rare and must be fully explained in an addendum to the schedule.
12	**Ending Balance.**

Item No.	Caption and Instructions
	Report the ending balance of each net worth category for the quarter. All amounts reported on this row reflect column sums. The sum of rows 1 through 11 must equal the totals in row 12. In addition, the sum of columns A through J must equal the total in column K; this sum represents the total amount of net worth at quarter-end. The entries in this row must reconcile to the net worth categories reported on Schedule RC for the current period as follows: • The sum of columns A and B (Capital Stock) must equal Schedule RC, line item 18. • The sum of columns C and D (Perpetual Preferred Stock) must equal Schedule RC, line item 19. • Column E (Paid-in-Capital) must equal Schedule RC, line item 20. • The sum of columns F, G, and H (Allocated Surplus) must equal Schedule RC, line item 21. • Column I (Unallocated Retained Earnings) must equal Schedule RC, line item 22. • Column J (AOCI) must equal Schedule RC, line item 23. • Column K (Total Net Worth) must equal Schedule RC, line item 24.

Schedule RI-E.1: Changes in Allowances for Credit Losses

General Instructions

This schedule covers the detailed reporting of the changes in the allowances for credit losses on loans, sales contracts, notes, and leases, etc.; held-to-maturity debt securities; and available for sale debt-securities. This schedule is designed to provide a total reconciliation of all changes to the allowance for credit losses from the end of the prior period to the end of the current period.

Under ASC Topic 326, Financial Instruments—Credit Losses, banks and associations must report an allowance for credit losses that represents an estimate of uncollectable amounts, or a contra-asset, on the balance sheet which is maintained or adjusted through charges to earnings as a provision for credit losses.

This part has three columns for information on activity in the allowances for credit losses for each of the following asset categories (1) loans, leases, etc. (column A), (2) held-to-maturity debt securities (column B), and (3) available-for-sale debt securities (column C).

Institutions should report reconcilements of the allowance for credit losses on loans, leases, etc., held-to-maturity debt securities, and available-for-sale debt securities in columns A, B, and C, respectively. The impact of "Day 1" adjustments resulting from the effective date of ASC 326 should be reported on Schedule RI-E.1, Item 6 "Other". *Note: RI-E.1, Column A, Item 6 should equal Schedule RI-E.2, Item 7.*

Purchased Credit Deteriorated Assets:

Purchased assets, whether acquired through business combination or otherwise, should be evaluated at acquisition to determine whether they have experienced a more-than-insignificant deterioration in credit quality (since origination). Such assets are considered "purchased credit deteriorated" or PCD assets. PCD assets are recorded at the initial purchase price (fair value) plus the initial estimate of credit losses at the acquisition date. Initial allowances for credit losses on PCD assets are not recognized in earnings through a provision. Accordingly, initial ACL amounts on PCD assets should be reported as positive amounts in the applicable columns of Schedule RI-E.1, Item 6, "Other".

"For further information, see the Glossary entries for "business combinations" and "acquisition method".

Government and Agency Guaranteed Assets:

For System banks and associations that hold debt obligations issued by the U.S. Treasury or other debt securities that are guaranteed by the U.S. Government or an instrumentality thereof, ASC 326-20 and ASC 326-30 provide guidance concerning the recognition of credit losses associated with investments in debt securities that are classified as held-to-maturity and available-for-sale, respectively, and related disclosure considerations. Should a System institution conclude that, based on such guidance and related facts and circumstances, a decline in fair value below amortized cost did not result from a credit loss, the following would be expected in reference to the application of such GAAP:

- Debt securities that are classified as held-to-maturity: Historical credit loss information adjusted for current conditions and reasonable and supportable forecasts results in an expectation that nonpayment of the amortized cost basis is zero and/or that in the case of debt securities that are guaranteed by U.S. Government or an instrumentality thereof, the estimate of expected credit losses shall reflect how credit enhancements (other than those that are freestanding contracts) mitigate expected credit losses on financial assets, including consideration of the financial condition of the guarantor, the willingness of the guarantor to pay, and/or whether any subordinated interests are expected to be capable of absorbing credit losses on any underlying financial assets.

- Debt securities that are classified as available-for-sale: Supporting analysis would demonstrate (as applicable) how credit enhancements affect the expected performance of such investment, including consideration of the current financial condition of the guarantor of a security and the willingness of the guarantor to pay. Additionally, in reference to Example 2 in ASC 326-30, a System entity would (a) document their analysis of the creditworthiness of the U.S. Government as a debtor / guarantor (i.e., in a similar manner to that outlined in Example 8 of ASC 326-20 for HTM securities) and (b) be able to reasonably assert that, at the end of the current reporting period, (i) it did not intend to sell such investments and (ii) it was not more likely than not that it would be required to sell such investments before recovery of their amortized cost bases.

Column Instructions

Column	Caption and Instructions
A	**Loans, sales contracts, notes, and leases, etc.** Report in this column amounts impacting the balance of the institution's allowances for credit losses on loans, sales contracts, notes, and leases, etc. as reported in the Schedule RC, Line 4(f)
B	**Held-to-Maturity Debt Securities.** Report in this column amounts impacting the balance of the allowances for credit losses on held-to-maturity debt securities as reported on the Schedule RC-B, Line 12, Column A.
C	**Available-Sale-Debt Securities** Report in this column amounts impacting the balance of the allowance for credit losses on available-for sale debt securities as reported on Schedule RC-B, Line 12, Column C.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Allowances for Credit Losses, beginning of period.** Report the amounts reported on the Schedule RC, Line 4(f) and Schedule RC-B, Line 12, Columns A and C at the beginning of the period. In the quarter of adoption of CECL, institutions should report a zero balance in columns B and C.
2	**Net increase or decrease resulting from provision for credit losses.** Report the amounts expensed as provisions for credit losses, net of any reversals, during the period. Provisions for credit losses (or reversals of provisions) represent the amounts necessary to adjust the related allowances for credit losses at the period end for management's current estimate of expected credit losses on these assets. Refer to the general instructions related to the preparation of Schedule RI-E.1 for more information concerning the measurement of credit impairment. Provisions for credit losses (or reversals) on available-for-sale debt securities represent changes during the period in the amount of impairment related to credit losses on individual available-for-sale debt securities. Amounts reported for column A must equal that reported on Schedule RI, item 4(a). Amounts reported for columns B and C must equal that reported on Schedule RI, item 4(c). If the amount reported in this item is negative, report it with a minus (-) sign.
3	**Less: Charge-offs.** Report the amounts charged against the allowances for credit losses during the period. The amount reported for column A should equal the amount reported on Schedule RI E.2, item 3(j).
4	**Less: Write-downs arising from transfer of financial assets.** Report the amounts reflecting current period write-downs to fair value charged against the allowances for credit losses resulting from transfers of assets from one accounting classification to another (e.g., transfers

Item No.	Caption and Instructions
	between trading, available-for-sale, and held-to-maturity).
5	**Recoveries.** Report the amounts debited to the allowances for credit losses during the period for recoveries of amounts previously charged-off against these allowances for credit losses. The amount reported for column A should equal the amount reported on Schedule RI E.2, item 4(j).
6	**Other.** Report all activity in the allowances for credit losses, as applicable, that cannot be properly reported in Schedule RI E.1, items 2-5, above. Upon the effective date of ASC Topic 326 Financial Instruments—Credit Losses, an institution should report in columns A, B, and C of this item, as appropriate, changes in allowance amounts from initially applying ASC Topic 326 to loans and leases held for investment, held-to-maturity debt securities, and available-for-sale debt securities. The amount reported for initially applying ASC Topic 326 should be as of the beginning of the fiscal year when effective. Amounts reported here also include: • The initial allowance gross-up amounts for any purchased credit-impaired assets held as of the effective date of ASC Topic 326 that are deemed purchased credit-deteriorated assets as of that date; and • The period initial gross-up amounts recognized upon the acquisition of purchased credit-deteriorated assets. If the amount reported in this item is negative, report it with a minus (-) sign.
7	**Allowances for Credit Losses, end of the current period** Report the sum of items 1, 2, 5, and 6 less Items 3 and 4. The amount reported in column A for this item must equal the allowance amount reported in Schedule RC, Line 4(f) and Schedule RI E.2, item 8. The amount reported in columns B and C must equal the amount reported in Schedule RC-B, Line 12, Columns A and C.

Schedule RI-E.2: Analysis of Allowance for Credit Losses—Loans, Notes, Sales Contracts, and Leases

General Instructions

This schedule covers the detailed reporting of the institution's analysis of the allowance for credit losses on loans, notes, sales contracts, and leases. The schedule is designed to provide a reconciliation of all increases and decreases to the allowance account from the end of the prior period to the end of the current period.

Under GAAP, banks and associations are required to maintain a reasonable allowance for current expected credit losses in the loan portfolio through a periodic charge to earnings. The allowance should be adequate to cover expected credit losses determined on loans evaluated collectively that are "segmented" or "pooled" based on one or more similar or shared risk characteristics, or loans evaluated individually when the asset no longer shares common risk characteristics. ASC Topic 326, Financial Instruments – Credit Losses is the primary GAAP guidance that addresses the proper accounting for the allowance for current expected credit losses. It requires that an estimated credit loss should be accrued by a charge to income based on credit loss methodologies that include reasonable and supportable forecasts, reverting to historical losses for periods beyond reasonable and supportable forecasts, and applying any qualitative adjustments. ASC 326 does not specify how an institution should identify assets for individual evaluation, or the loss estimation methodology to be applied. However, the standard allows a practical expedient for measuring credit losses on collateral-dependent loans if the repayment is expected to be provided substantially through the operation or sale of the collateral, and the borrower, based on management's assessment, is experiencing financial difficulty. The practical expedient allows (but does not require) institutions to use the fair value of the underlying collateral at the reporting date when determining the net carrying amount of the asset, and the related ACL. When the creditor determines that foreclosure is probable, using fair value of the underlying collateral to measure expected credit loss on assets evaluated individually is required.

Losses on loans are to be charged off to the allowance when known and under no circumstances shall charge-offs be deferred or amortized over a number of accounting periods. Reductions in the amounts of allowance maintained should be carefully evaluated. If a reduction is determined by the institution to be appropriate, such a reduction should be accounted for as a reduction to the institution's provision for losses.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Allowance for credit losses on loans, etc., beginning of period.** Report the amount of the allowance for credit losses on loans at the beginning of the period. This amount must equal Schedule RC, item 4(f), of the prior period.
2	**Net increase or decrease (–) resulting from provision for loan loss.** Report the amount representing the adjustment in earnings necessary to maintain the allowance for losses in accordance with generally accepted accounting principles (GAAP). This amount must equal the amount shown on Schedule RI, item 4(a), in the current period.

Item No.	Caption and Instructions
3	**Loans, etc., charged off.** All institutions are required to follow Agency issued regulations and guidelines on charge-offs. Charge-offs should be recorded on a timely basis and only to the extent that a loan balance after the charge-off represents the loan's collateral value.
3(a)(i)	**Real estate mortgage** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on real estate mortgage loans, as defined in the instructions for RC.1, item 1(a)(i)(A).
3(a)(ii)	**Production and intermediate term.** Report the amount of loans, notes receivables, sales contracts, and leases determined to be uncollectible and charged off during the period on production and intermediate term loans, as defined in the instructions for RC.1, item 1(a)(i)(B).
3(b)	**Agribusiness.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all loans to cooperatives, processing and marketing loans, and farm related business loans, as defined in the instructions for RC.1, item 1(a)(ii)(A), 1(a)(ii)(B) and 1(a)(ii)(C).
3(c)	**Communication.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all communication loans, as defined in the instructions for RC.1, item 1(a)(iii).
3(d)	**Energy.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all energy loans, as defined in the instructions for RC.1, item 1(a)(iv).
3(e)	**Water/waste disposal.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all water/waste disposal loans, as defined in the instructions for RC.1, item 1(a)(v).
3(f)	**Rural residential real estate.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all rural residential real estate loans, as defined in the instructions for RC.1 item 1(a)(vi).
3(g)	**International.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all international loans, as defined in the instructions for RC.1 item 1(a)(vii).
3(h)	**Lease receivables.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all lease receivables, as defined in the instructions for RC.1, item 1(a)(viii).
3(i)	**Other loans, etc. charged off.** Report the amount of loans, notes receivable, sales contracts, and leases determined to be uncollectible and charged off during the period on all other loans, as defined in the instructions for RC.1, item 1(a)(xi).

Item No.	Caption and Instructions
3(j)	**Total loans charged off.** Report the sum of items 3(a) thru 3(i).
4	**Recoveries.** As with charge-offs, all institutions are required to follow Agency regulations and guidelines on recoveries. An institution should be careful not to recognize recoveries prematurely. Amounts received by an institution that would materially reduce a loan balance below its net realizable value should give due consideration to recording a recovery.
4(a)(i)	**Real estate mortgage.** Report the amount of recoveries in reinstatements on all real estate mortgage loans, as defined in the instructions for RC.1 item 1(a)(i)(A), previously charged off.
4(a)(ii)	**Production and intermediate term.** Report the amount of recoveries and reinstatements on all production and intermediated term loans, as defined in the instructions for RC.1, item 1(a)(i)(B), previously charged off.
4(b)	**Agribusiness.** Report the amount of recoveries and reinstatements on all loans to cooperatives, processing and marketing loans, and farm related business loans, as defined in the instructions for RC.1, items 1(a)(ii)(A), 1(a)(ii)(B) and 1(a)(ii)(C), previously charged off.
4(c)	**Communication.** Report the amount of recoveries and reinstatements on all communication loans, as defined in the instructions for RC.1, item 1(a)(iii), previously charged off.
4(d)	**Energy.** Report the amount of recoveries and reinstatements on all energy loans, as defined in the instructions for RC.1, item 1(a)(iv), previously charged off.
4(e)	**Water/waste disposal.** Report the amount of recoveries and reinstatements on all water/waste disposal loans, as defined in the instructions for RC.1, item 1(a)(v), previously charged off.
4(f)	**Rural residential real estate.** Report the amount of recoveries and reinstatements on all rural residential real estate loans, as defined in the instructions for RC.1, item 1(a)(vi), previously charged off.
4(g)	**International.** Report the amount of recoveries and reinstatements on all international loans, as defined in the instructions for RC.1, item 1(a)(vii), previously charged off.
4(h)	**Lease receivables.** Report the amount of recoveries and reinstatements on all lease receivables as defined in the instructions for RC.1, item 1(a)(viii), previously charged.
4(i)	**Other recoveries.** Report amount of recoveries and reinstatements on other loans, as defined in the instructions for RC.1, item 1(a)(xi).
4(j)	**Total recoveries.** Report the sum of items 4(a) thru 4(i).
5	**Charge-offs net of recoveries on direct loans to associations.**

Item No.	Caption and Instructions
	Report the amount of direct loans to associations determined to be uncollectible and charged off during the period net of recoveries and reinstatements.
6	**Charge-offs net of recoveries on discounted loans to OFIs.** Report the amount of loans to OFIs determined to be uncollectible and charged off during the period net of recoveries and reinstatements.
7	**Other.** Report the amount of other transactions affecting the allowance for losses during the period that cannot be included in the preceding lines. For example, additions to the ACL to establish the initial allowance on purchased credit deteriorated assets would be reported here. Amounts reported on this line item should reconcile to amounts reported on Schedule RI-E.1 Column A, Line 6.
8	**Allowance for credit losses on loans, etc., end of period.** Report the amount of the allowance for losses maintained in accordance with GAAP at the end of the period. This amount will equal items 1 + 2 – 3(j) + 4(j)- 5 – 6 + 7. This amount must also equal the amount shown on Schedule RC, item 4(f), in the current period.
Allowance For Credit Losses By Loan Type	
1	**Production agriculture.**
1(a)	**Real estate mortgage.** Report the amount for the allowance for credit losses on loans at the end of the period for real estate mortgage loans, as defined in the instructions for RC.1, item 1(a)(i)(A).
1(b)	**Production and intermediate term.** Report the amount for the allowance for credit losses on loans at the end of the period for production and intermediate term loans, as defined in the instructions for RC.1, item 1(a)(i)(B).
2	**Agribusiness.** Report the amount for the allowance for credit losses on loans at the end of the period for all loans to cooperatives, processing and marketing loans, and farm related business loans, as defined in the instructions for RC.l, items 1(a)(ii)(A), 1(a)(ii)(B) and 1(a)(ii)(C).
3	**Communication.** Report the amount for the allowance for credit losses on loans at the end of the period for communication loans, as defined in the instructions for RC.1, item 1(a)(iii).
4	**Energy.** Report the amount for the allowance for credit losses on loans at the end of the period for energy loans, as defined in the instructions for RC.1, item 1(a)(iv).
5	**Water/waste disposal.** Report the amount for the allowance for credit losses on loans at the end of the period of water/waste disposal loans, as defined in the instructions for RC.1, item 1(a)(v).
6	**Rural residential real estate.** Report the amount for the allowance for credit losses on loans at the end of the period for rural residential real estate loans, as defined in the instructions for RC.1, item 1(a)(vi).
7	**International.**

Item No.	Caption and Instructions
	Report the amount for the allowance for credit losses on loans at the end of the period for international loans, as defined in the instructions for RC.1, item 1(a)(vii).
8	**Lease receivables.** Report the amount for the allowance for credit losses on loans at the end of the period for lease receivable, as defined in the instructions for RC.1, item 1(a)(viii).
9	**Direct loans to associations. (FCBs and ACBs only)** Report the amount for the allowance for credit losses on loans at the end of the period for any direct loans to associations.
10	**Discounted loans to OFIs. (FCBs and ACBs only)** Report the amount for the allowance for credit losses on loans at the end of the period for any discounted loans to OFIs.
11	**Other allowance.** Report amount of allowance for losses on credit loans at the end of the period for any other loans, as defined in the instructions for RC.1, item 1(a)(xi).
12	**Allowance for credit losses on loans, etc., end of period.** Report the amount of the allowance for credit losses maintained in accordance with GAAP at the end of the period. This amount will equal the sum of items 1 thru 11. This amount must also equal the amount shown on Schedule RC, item 4(f), in the current period.

Schedule RC-R.1: Summary of Regulatory Capital

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Common Equity Tier 1 Capital (CET1).**
1(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of Common Equity Tier 1 (CET1) capital (See § 628.20(b)). This item represents the highest quality of capital in the Tier 1/Tier 2 Capital Framework and is the numerator in the risk-based CET1 capital ratio. This is the same amount reported on Schedule RC-R.4, line item 7.
1(b)	**Quarter-end amount.** Report in this item the quarter-end amount of Common Equity Tier 1 (CET1) capital (See § 628.20(b)). This item represents the highest quality of capital in the Tier 1/Tier 2 Capital Framework and is the numerator in the risk-based CET1 capital ratio.
2	**Additional Tier 1 Capital (AT1).**
2(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of Additional Tier 1 (AT1) capital (See § 628.20(c)). AT1 capital represents the second highest quality of capital in the Tier 1/Tier 2 Capital Framework. This is the same amount reported in Schedule RC-R.4, item 10. Most often this item will represent the average daily amount for the quarter of noncumulative perpetual preferred stock held by the institution.
2(b)	**Quarter-end amount.** Report in this item the quarter-end amount of Additional Tier 1 (AT1) capital (See § 628.20(c)). AT1 capital plus Common Equity Tier 1 capital equal Tier 1 capital. Most often, this item will represent the quarter-end amount of noncumulative perpetual preferred stock held by the institution.
3	**Tier 1 Capital.**
3(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of Tier 1 capital (See § 628.2 definitions). This is the same amount reported on Schedule RC-R.4, item 11. Tier 1 capital is the numerator of the Tier 1 capital ratio and Tier 1 leverage ratio.
3(b)	**Quarter-end amount.** Report in this item the quarter-end amount of Tier 1 capital (See § 628.2 Definitions). This item is a sum of Schedule RC-R.1, items 1(b) and 2(b).
4	**Tier 2 Capital.**
4(a)	**Average daily amount for the quarter.**

Item No.	Caption and Instructions
	Report in this item the average daily amount for the quarter of Tier 2 capital (See § 628.20(d)). This capital represents the lowest quality capital in the Tier 1/Tier 2 Capital Framework. This is the same amount reported in Schedule RC-R.4, item 19.
4(b)	**Quarter-end amount.** Report in this item the quarter end amount of Tier 2 capital (See § 628.20(d)). This capital represents the lowest quality capital in the Tier 1/Tier 2 Capital Framework.
5	**Total Regulatory Capital.**
5(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of Total Regulatory Capital. (In the FCA Regulation § 628.2 Definitions the term used for this item is Total Capital, for call report purposes FCA will use Total Regulatory Capital instead). This item is same amount reported on Schedule RC-R.4, item 20.
5(b)	**Quarter-end amount.** Report in this item the quarter-end amount of Total Regulatory Capital. (In the § 628.2 Definitions the term used for this item is Total Capital, for call report purposes we are using Total Regulatory Capital instead). This item is the sum of amounts reported on Schedule RC-R.1, items 3(b) and 4(b).
6	**Permanent Capital.**
6(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of the institution's permanent capital determined under FCA Regulations § 615.5201 and adjusted as prescribed FCA Regulations §§ 615.5207 through 615.5208. This is the same amount as reported on Schedule RC-R.6, item 5.
6(b)	**Quarter-end amount.** Report in this item the quarter-end amount of permanent capital determined under FCA Regulations § 615.5201 and adjusted under §§ 615.5207 through 615.5208.
7	**Risk-weighted assets (RWAs) used for Tier 1/Tier 2 capital ratios.**
7(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of risk-weighted assets for CET1, Tier 1 and Total Regulatory Capital adjusted for deductions under FCA Regulation §§ 628.22(g) and 628.23(c). Use these risk-weighted assets to calculate the institution's CET1, Tier 1 and Total Regulatory Capital ratios. This item is the same amount reported on Schedule RC-R.7, item 27.
7(b)	**Quarter-end amount.** Report in this item the quarter-end amount of the risk weighted assets for CET1, Tier 1 and Total Regulatory Capital adjusted for deductions under FCA Regulation §§ 628.22(g) and 628.23(c).
8	**Risk-weighted assets (RWAs) used for permanent capital.**
8(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of risk-weighted assets for Permanent Capital adjusted for deductions under FCA Regulation § 615.5207 and the allotment of allocated investments as described under § 615.5208. Use these risk-weighted assets to calculate the institution's permanent capital ratio. This item is the same amount reported on Schedule RC-R.7, item 28.

Item No.	Caption and Instructions
8(b)	**Quarter-end amount.** Report in this item the quarter-end amount of risk-weighted assets for Permanent Capital adjusted for deductions under FCA Regulation §§ 615.5207 and 5208 and the risk-weighted assets in part 615.
9	**Unallocated retained earnings (URE) and URE equivalents.**
9(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of URE and URE equivalents (See FCA Regulation § 628.2 Definitions). See the calculation and the same amount reported on Schedule RC-R.5, item 2f.
9(b)	**Quarter-end amount.** Report in this item the quarter-end amount of URE and URE equivalents (See § 628.2 Definitions). This calculation is like the calculation shown in Schedule RC-R.5, item 2(f), except for quarter-end numbers.
10	**Total Adjusted Assets for the Leverage Ratio.**
10(a)	**Average daily amount for the quarter.** Report in this item the average daily amount for the quarter of adjusted total assets for the Tier 1 leverage ratio. This is the same amount reported on Schedule RC-R.5, item 1(d).
10(b)	**Quarter-end amount.** Report in this item the quarter-end amount for the adjusted total assets for the Tier 1 leverage ratio as defined in § 628.10(c)(4). This amount is calculated similarly to item 1(d) of Schedule RC-5.
11	**Amount of Adjusted Allowances for Credit Losses (AACL) Not Included in Tier 2 Capital.**
11(a)	**Average daily amount for the quarter.** Report in this item the quarterly average amount of the adjusted allowance for credit losses (AACL) as defined in § 628.2, not in included in Tier 2 capital. Amount equals RC-R.4 item 14(c) minus 14(e).
11(b)	**Quarter-end amount.** Report in this line item the quarter-end amount of the allowance and reserve credit loss not included in Tier 2 capital. See § 628.20(d)(3) for the allowance amount included in Tier 2 capital. Line item is calculated as follows: • (Σ AACL) – min [(ΣAACR), (risk weighted assets X 0.0125)].

Schedule RC-R.2: Summary—Regulatory Capital Ratios

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Common Equity Tier 1 capital ratio.** Report in this item the institution's Common Equity Tier 1 Ratio as described in § 628.10(c)(1) of this rule. Amount equals schedule RC-R.1, item 1(a) divided by item 7(a).
2	**Tier 1 capital ratio.** Report in this item the institution's Tier 1 capital ratio as described in § 628.10(c)(2) of this rule. Amount equals schedule RC-R.1, item 3a, divided by item 7(a).
3	**Total regulatory capital ratio.** Report in this item the institution's Total Regulatory Capital ratio. For call report purposes, this ratio is the same as the total capital ratio as described in § 628.10(c)(3) of this rule. Amount equals schedule RC-R.1, item 5(a) divided by item 7(a).
4	**Tier 1 leverage ratio.** Report in this item the institution's Tier 1 leverage ratio as described in § 628.10(c)(4) of this rule. Amount equals schedule RC-R.1, item 3(a) divided by item 10(a).
5	**URE and URE equivalents leverage ratio.** Report in this item the institution's URE and URE equivalent leverage ratio. The denominator for this ratio is the same as the Tier 1 leverage ratio as described in § 628.10(c)(4) of this rule. Amount equals schedule RC-R.1, item 9(a) divided by item 10(a).
6	**Permanent capital ratio.** Report in this item the institution's permanent capital ratio determined in FCA Regulations § 615.5201 and adjusted under FCA Regulations § 615.5207 and § 615.5208. Amount equals schedule RC-R.1, item 6(a) divided by item 8(a).

Schedule RC-R.3: Common Cooperative Equities

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

This schedule contains only those qualifying borrower purchased stock (including participation certificates) and allocated equities (stock and surplus) included in total capital and permanent capital. The columns of this schedule include CET1 capital, Tier 2 capital, Total regulatory capital, and Permanent capital.

Schedule RC-R.3 does not include:

- Preferred stock sold to an institution’s borrowers; and,
- Preferred stock or subordinated debt sold to third-party investors.

Line Items

For call report purposes, FCA considers any assignment of capital without a written notice of allocation to be a memo accounting exercise and nothing more.

Additionally, institutions shall disclose "nonqualified allocated equities (stock or surplus) not subject to retirement" separately and not consolidated with the item "unallocated retained earnings".

Beginning January 1, 2017, institutions must disclose their board approved redemption, retirement, and revolvement practices for purchased stock and allocated equities. This disclosure comes from the bylaws or annual board resolution affirming previous redemption, retirement, or revolvement practices. All member-borrower purchased stock which is the lessor of $1,000 or 2 percent of loan balance will count as CET1 capital. On January 1, 2017, all other purchased stock and allocated equities outstanding equal to or greater than 7 years counts as CET1 capital and those equities that a board has no intent to retire until they have been outstanding equal to or greater than 7 are counted as CET1 capital. The same would apply if you replace equal or greater than 7 years with less than 7 years and greater than or equal to 5 years for Tier 2 capital. In addition, if on January 1, 2017, the board does not intend to redeem or retire purchased stock or allocated equities that meet the minimum hold periods (7 years for CET1 capital or less than 7 but greater than 5 years for Tier 2 capital) then institutions may count their purchased stock or allocated equities respectively. If an institution cannot identify or track the date of purchased stock or allocated equities, it may request temporary approval to include part or all such capital in CET1 or Tier 2 capital in a workable plan.

Column Instructions

Column	Caption and Instructions
A	**Amount included in CET1.** Report in this column the applicable average daily amount for the quarter for common cooperative equities (all at-risk purchased stock, allocated stock, and allocated surplus) included in CET1 capital. One of the major criteria for CET1 capital in § 628.20(b)(1)(xiv)(A) is equities must be outstanding for at least seven years from issuance, unless approved by FCA. Only the following line items may contain amounts reported: 1, 2(c), 3(c), 4(c), 5(c), 5(d), and 6. The other lines items will never contain an amount.
B	**Amount included in Tier 2.** Report in this column the applicable average daily amount for the quarter for the common cooperative equities (all purchased stock, allocated stock, and allocated surplus at-risk) included in Tier 2 Capital. One of the major criteria in Tier 2 capital under § 628.20(d)(1)(xi)(A) is purchased stock and allocated equities must be outstanding greater than 5 years from issuance, unless approved by FCA. Only the following line items will contain amounts: 2(b), 3(b), 4(b), 5(b), and 6. The other lines items will never contain an amount.
C	**Amount included in Total Regulatory Capital.** Report in this column the applicable average daily amount for the quarter of common cooperative equities (all purchased stock, allocated stock, and allocated surplus at-risk) included in Total Regulatory Capital. Column C is a sum of Column A and B for any given line item on this schedule. Only the following line items will contain amounts: 1, 2(b), 2(c), 3(b), 3(c), 4(b), 4(c), 5(b), 5(c), 5(d) and 6. The other lines items will never contain an amount.
D	**Amount included Permanent Capital.** Report in this column the applicable average daily amount for the quarter of common cooperative equities (all purchased stock, allocated stock, and allocated surplus at-risk) included in permanent capital. All stock and surplus issued to member-borrowers since October 6, 1988 is at-risk and retireable only at board discretion.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Purchased Statutory Required Stock.** Report in each column the applicable average daily amount for the quarter of member-borrower stock (up to $1,000) purchased to comply with the borrower stock requirements under section 4.3A of the Farm Credit Act (§ 628.20(b)(1)(xiv)(B)). Any stock purchased to comply with these requirements that exceeds $1,000 must be reported under the applicable category in item 2. For call report purposes "stock" means both capital stock and participation certificates. Section 4.3A of the Farm Credit Act requires a member-borrower to purchase stock at least equal to the lessor of $1,000 or 2 percent of the of the loan(s) as a condition of obtaining a loan.
2	**Purchased Other Required Stock.**
	Planned redemption cycles:
2(a)	**< 5 years.** Report in each column the applicable average daily amount for the quarter of member-borrower purchased stock that is in excess to the

Item No.	Caption and Instructions
	statutory minimum requirement in section 4.3A of the Farm Credit Act. For call report purposes, "stock" means both capital stock and participation certificates. This excess stock purchase is also a condition of obtaining a loan(s). At issuance, the institution's board must assign a planned redemption period for this purchased stock as less than five years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods. All the banks and a few associations still have a stock requirement for their members in excess of the statutory minimum required stock. This item captures only the stock amount that members (associations or borrowers) purchase that is in excess of the lessor of $1,000 or 2 percent of the loan(s) for each member. Some System institutions make no distinctions between purchased and allocated stock, so those institutions would report appropriately in Schedule RC-R.3, line items 2(a), 2(b) or 2(c).
2(b)	**≥ 5 years but < 7 years.** Report in each column the applicable average daily amount for the quarter of member-borrower stock purchased to comply with the requirements in section 4.3A of the Farm Credit Act, but which exceeds the $1,000 reported in line 1 of this schedule. For call report purposes, stock means both capital stock and participation certificates. This excess stock purchase is also a condition of obtaining a loan(s). At issuance, the institution's board must assign a planned redemption period for this purchased stock as greater than or equal to 5 years, but less than 7 years. (Note: Any member-borrower stock purchased **through loan proceeds** in compliance with Section 4.3A of the Act, and which **exceed $1,000**, is subject to a minimum 5 year holding period and must be included in Tier 2 capital irrespective of holding periods that may be greater than or equal to 7 years (§ 628.20(b)(1)(x) and (d)(1)(viii)). Thus, all such stock must be reported in column B of item 2(b)). FCA will base the redemption period on existing bylaws or board resolution affirming prior redemption or revolvement periods. All the banks and a few associations still have a stock requirement in compliance with Section 4.3A of the Act that exceeds $1,000. This item is meant to capture only the amount of member-borrower or member-association stock purchased that is in excess of $1,000. Some System institutions make no distinctions between purchased and allocated stock, so those institutions would report appropriately in Schedule RC-R.3, line items 2(a), 2(b) or 2(c).
2(c)	**≥ 7 years.** Report in each column, the applicable average daily amount for the quarter of member-borrower purchased stock that is more than the statutory minimum requirement in section 4.3A of the Farm Credit Act. For call report purposes, stock means both capital stock and participation certificates. This excess stock purchase is also a condition of obtaining a loan(s). At issuance, the institution's board must assign a planned equity redemption period for this purchased stock as greater than or equal to 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods. All the banks and a few associations have a stock requirement that exceeds the statutory minimum required stock. This item captures only the member-borrowers or member-associations stock purchase that exceeds the lessor of $1,000 or 2 percent of the loan(s). Some System

Item No.	Caption and Instructions
	institutions make no distinctions between purchased and allocated stock, so those institutions would report appropriately in Schedule RC-R.3, line items 2(a), 2(b) or 2(c).
3	**Allocated Stock.**
	Planned redemption cycles:
3(a)	**< 5 years.** Report in each column, the applicable average daily amount for the quarter of allocated stock that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated stock as less than 5 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
3(b)	**≥ 5 years but < 7 years.** Report in each column, the applicable average daily amount for the quarter of allocated stock that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated stock as greater than or equal to 5 years, but less than 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
3(c)	**≥ 7 years.** Report in each column, the applicable average daily amount for the quarter of allocated stock that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated stock as greater than or equal to 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
4	**Qualified Allocated Surplus.**
	Planned revolvement cycles:
4(a)	**< 5 years.** Report in each column, the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board planned equity revolvement period for this allocated surplus is less than 5 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
4(b)	**≥ 5 years but < 7 years.** Report in each column, the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated surplus as greater than or equal to 5 years, but less than 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
4(c)	**≥ 7 years.** Report in each column, the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed

Item No.	Caption and Instructions
	under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated surplus as greater than or equal to 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
5	**Nonqualified Allocated Surplus.**
	Planned revolvement cycles:
5(a)	**< 5 years.** Report in each column the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated surplus as less than 5 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
5(b)	**≥ 5 years but < 7 years.** Report in each column the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned equity revolvement period for this allocated surplus as greater than 5 years but less than 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
5(c)	**≥ 7 years.** Report in each column, the applicable average daily amount for the quarter of allocated surplus that an institution previously distributed under a written notice of allocation to its member-borrowers. At issuance, the institution's board must assign a planned revolvement period for this allocated surplus that is greater than or equal to 7 years. FCA will base the redemption period on existing bylaws or on an annual board resolution reaffirming prior redemption or revolvement periods.
5(d)	**Not subject to redemption or revolvement.** Report in each column, the applicable average daily amount for the quarter of allocated surplus that an institution distributed under a written notice of allocation to its member-borrowers. At distribution, the written notice of allocation provided the member-borrower must state the institution's board has no plan to retire this allocated surplus, except on a dissolution or liquidation of the institution. Additionally, the institution may not offset this amount of equity against any loan balance. For call reporting purposes, never combine this item with unallocated retained earnings. For this type of equity to count as a URE equivalent in Schedule RC-5, line item 2(c), an institution must designate this equity as an URE equivalent on the day of allocation (or on or before March 31, 2017).
6	**Total Common Cooperative Equities.** Report in each column the average daily amount representing totals of the column. This line item equals the sum of line items in each column. The amounts in Schedule RC-R.3, line 6 for: • Column A is the same amount reported in Schedule RC-R.4, item 1,

Item No.	Caption and Instructions
	• Column B is the same amount reported in Schedule RC-R.4, item 12, and • Column D is the same amount reported in Schedule RC-R.6, item 1.

Schedule RC-R.4: Tier 1/Tier 2 Numerator

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

This schedule calculates the average daily amount for the quarter for Common Equity Tier 1, Additional Tier 1, Tier 1, Tier 2, and Total Regulatory Capital used in the numerator of the risk-based capital ratios.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Qualifying common cooperative equity (CCE) included in CET1.** Report in this item the average daily amount for the quarter of common cooperative equity included in CET1 capital. This is the same amount on Schedule RC-R.3, line 6, Column A. Schedule RC.R.3 reports separately all the qualifying components (purchased stock, allocated stock, or allocated surplus) included in CET1 capital.
2	**Paid-in capital (includes additional paid-in-capital APIC).** Report the average daily amount for the quarter representing excess amount paid above par for any capital instrument except those equities purchased as condition of receiving a loan. For example, paid in capital commonly refers to the excess amount above par received from the sale of third-party capital. In mergers, the term "additional paid in capital" also refers to the excess amount an acquirer pays above the book value for the acquiree's institution. Report on this line amounts representing financial assistance from other Farm Credit institutions in this form of paid-in surplus.
3	**Unallocated retained earnings (URE).** Report in this item the average daily amount for the quarter of URE (including undistributed earnings or losses) as defined in § 628.2 of this rule. Another common name for this item is average unallocated surplus. The amount reported in this item excludes any retained earnings, surplus, or stock allocated to member-borrowers.
4	**Other CET1 capital items approved by FCA.** Report in this item the average daily amount for the quarter of other capital items approved by FCA for inclusion in CET1 Capital. FCA will periodically publish a list of approved "other CET1 items."
5	**Total CET1 before deductions.** Report in this item the average daily amount for the quarter for total CET1 capital before required deductions. This item represents the sum of Schedule RC-R.4 items 1 through 4.
6	**CET1 deductions and adjustments**
6(a)	**Less: Goodwill net of associated deferred tax liabilities (DTLs).** Report in this item the average daily amount for the quarter of goodwill, net of associated deferred tax liabilities (DTLs) on an institution’s balance sheet. Goodwill is an intangible asset which represents excess paid above par for an entity. Because FCA approves all institution mergers, goodwill

Item No.	Caption and Instructions
	will rarely appear on a balance sheet. (See FCA Regulation § 628.22(a)(1).)
6(b)	**Less: Intangible assets other than mortgage servicing assets, net of associated DTLs.** Report in this item the average daily amount of intangible assets, net of associated DTLs other than goodwill and mortgage servicing assets. Thus, report the non-mortgage servicing assets related to asset securitizations that do not include mortgage assets. See FCA Regulation § 628.22(a)(2). Presently, System institutions cannot securitize assets themselves; they must use a third-party (i.e. Farmer Mac or another entity), especially for the creation of the trust or special purpose vehicle. However, System institutions may purchase a mortgage or non-mortgage servicing asset from the sponsor, owner, or creator of a special purpose vehicle or trust. One example of a non-mortgage servicing asset is an equipment loan (lease) servicing asset.
6(c)	**Less. Deferred tax assets (DTAs) that arise from net operating losses and tax credit carryforward, net of any related valuation allowances and net of DTLs.** Report in this item the average daily amount for the quarter of deferred tax assets (DTAs) that arise from net operating losses and tax credit carryforwards that are net of any related valuation allowances and net of deferred tax liabilities. See FCA Regulation § 628.22(a). Be aware the capital rule does not treat all deferred tax assets similarly: • An institution must generate future earnings to apply a DTA and reduce future taxes, and not before. Thus, the rule deducts DTAs arising from net operating losses and tax credit carryforwards. DTAs arising from temporary differences in loss carrybacks are risk-weighted at 100 percent. See FCA Regulation § 628.32(l)(3).
6(d)	**Less: After-tax-gain-on-sale in connection with securitization exposure.** Report in this item the average daily amount for the quarter of after-tax gain-on-sale arising from a securitization exposure, net of associated DTLs. Unless a sale occurs, the "gain on sale" represents an increase in the equity capital of an institution resulting from a securitization (other than an increase in equity capital resulting from the institution's receipt of cash in connection with the securitization or reporting of a mortgage servicing asset on Schedule RC). This can be subjective and assumption driven because it tries to project future cash flows that eventually become net income or may be URE. See FCA Regulation § 628.22(a)(4).
6(e)	**Less: Defined benefit pension fund assets, net of associated DTLs. (Unless FCA has given permission to risk weight).** Report in this item the average daily amount of defined benefit pension fund assets, net of associated DTLs; unless FCA has given permission to the institution to risk weight the asset. A defined benefit pension fund (DBPF) may be an asset if the pension fund is overfunded or a liability if the pension fund is underfunded. System institutions do not universally disclose or report their DBPF similarly from district to district. See FCA Regulation § 628.22(a)(5).

Item No.	Caption and Instructions
	Some institutions apply pension accounting to their individual financial statements while others apply pension accounting only to the district-wide annual report.
6(f)	**Less: Amount of allocated investments in other System institutions. Only the institution who allocated the equities may include those equities in its CET1.** Report in this item the average daily amount for the quarter of allocated equity investment in another System institution. Only the institution who allocated (issued) the equities may include those equities in its CET1 capital. The institution who received the allocated equity investment must deduct the equity investment from its CET1 capital. When institution A (a bank) pays a patronage refund in equity to institution B (an association) two things occur. First, institution A (the bank) transfers the equity from URE to allocated equity (stock or surplus), and then grants institution B (an association) an ownership right to that newly allocated equity investment. However, institution A (the bank) retains control of the allocated equity until it redeems the equity. Second, when institution B (the association) receives the patronage refund it will see an increase in its allocated equity investment in the bank and an increase in its net income or URE. See FCA Regulation § 628.22(a)(6). If an institution can attribute a DTL to an allocated investment, then net the DTL against that allocated investment. For call report purposes, FCA has decided to treat allocated investments in another System institution, service corporation and the Funding corporation similarly. If a service corporation or the Funding Corporation has issued allocated equities (stock or surplus) to a System institution that institution should deduct that investment as they would an equity investment in another System institution. For the most part, service corporations and the Funding Corporation pay only a cash patronage refund to their members, but some have bylaws which allow them to allocate equities. For the definition of the types of institutions, see FCA regulations §§ 628.2, 611.1135, and 619.9185. All these entities are System institutions: • System institutions include: ACBs, FCBs, FLCAs, ACAs, and the Farm Credit Leasing Services Corporation (FCL). • System service corporations include: FCS Building Association, Farm Credit Financial Partners, Inc. (FPI), AgVantis, Inc., Farm Credit Foundations, or any institution FCA approves under Sec. 4.25 of the Farm Credit Act of 1971, as amended (Act) FCL, while included with direct lenders, is a service corporation wholly owned by CoBank. • Funding Corporation. Note: Risk weight equity investments in unincorporated business entities (UBE), and the Farm Credit System Association Insurance Captive Company, as nonsignificant investments prescribed in FCA Regulation § 628.53. Thus, risk weight these equity investments at 100 percent as required in Schedule RC-R.7, line 7. AgDirect, LLC is considered a UBE.

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6(g)	**Less: Amount of purchased investments in other System institutions using the corresponding deduction approach (CDA).** Report in this item the average daily amount for the quarter of purchased equity investments in another System institution, service corporation, and the Funding Corporation using the corresponding deduction approach (CDA). When an institution purchases an equity investment in another System institution, there is a capital transfer from the purchaser to issuer. For example, the CDA works in the following way: If the issuing institution (a bank) holds the equity investment and treats the capital item as tier 2 capital, then the investing institution (the association) must deduct the equity investment from its tier 2 capital. If the bank treats the purchased equity investment as CET1 capital, then the association must deduct the purchased equity investment from its CET1 capital. (See FCA Regulation § 628.22(c)(2) and (5).) For regulatory capital call report purposes, FCA has decided to treat all System purchased equity investments in another System institution, service corporations and the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) similarly. See FCA regulations §§ 628.2, 611.1135, and 619.8185. All these institutions are System institutions: • System institutions include: ACBs, FCBs, FLCAs, ACAs, and the Farm Credit Leasing Corporation (FCL). • System service corporations include: FCS Building Association, Farm Credit Financial Partners, Inc. (FPI), AgVantis, Inc., Farm Credit Foundations, or any institution FCA approves under Sec. 4.25 of the Act. FCL, while included with direct lenders, is a service corporation wholly owned by CoBank, ACB. • Funding Corporation. For call report purposes, institutions that hold equity investments in UBEs and the Farm Credit System Association Insurance Captive Company, must risk weight these investments as prescribed in FCA Regulation § 628.53. Therefore, risk weight these equity investments at 100 percent as required in RC-R.7, line 7. AgDirect, LLC is a UBE.
6(h)	**Less: CDA deductions applied to CET1 capital due to insufficient amounts of AT1 and Tier 2 capital to cover AT1 and Tier 2 deductions.** Report in this item the average daily amount for the quarter of deductions related to the corresponding deductions approach (CDA) applied to its level CET1 capital. Under the CDA if there is an insufficient amount of Tier 2 capital to handle the CDA deductions, then the institution must apply the remaining unused CDA deduction to AT1 capital. If there is an insufficient amount of capital after having applied the unused CDA deduction to Tier 2 capital and AT1 capital, then the institution must finally apply the unused deduction to CET1 capital. (See FCA Regulations §§ 628.22(c)(2) and (5) and 628.22(f).) For regulatory capital and call report purposes, FCA has decided to treat all System equity investments in another System institution, service corporations and the Federal Farm Credit Banks Funding Corporation (the

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	Funding Corporation) similarly. See FCA regulations §§ 628.2, 611.1135, and 619,8185. All these entities are System institutions: • System institutions include: ACBs, FCBs, FLCAs, ACAs, and the Farm Credit Leasing Services Corporation (FCL). • System service corporations include: FCS Building Association, Farm Credit Financial Partners, Inc. (FPI), AgVantis, Inc., Farm Credit Foundations, or any institution approved by FCA under Sec. 4.25 of the Act. FCL, while included with direct lenders, is a service corporation wholly owned by CoBank, ACB. • Funding Corporation. For call report purposes, institutions that hold equity investments in UBEs and the Farm Credit System Association Insurance Captive Company must risk weight these investments as prescribed in FCA Regulation § 628.53. Therefore, risk weight these equity investments at 100 percent as required in RC-R.7, line 7. AgDirect, LLC is a UBE.
6(i)	**Less: Adjustments for patronage or dividend accrued receivables per § 628.22(b)** Report in this item the average daily amount for the quarter of any accrual of a patronage or dividend receivable recognized in the financial statements prior to a related board declaration or resolution. In accordance with § 628.22(b), the impact of any accruals of dividend or patronage receivables reflected in unallocated retained earnings before the related board declaration must be adjusted from CET1 capital. For example, if an institution accrues a <u>patronage receivable</u> from another institution prior to board declaration date, then it must deduct this accrual from CET1.
6(j)	**Plus: Adjustments for patronage or divided accrued payables per § 628.22(b)** Report in this item the average daily amount for the quarter of any accrual of a patronage or dividend payable recognized in the financial statements prior to a related board declaration or resolution. In accordance with § 628.22(b), the impact of any accruals of dividend or patronage payables reflected in unallocated retained earnings before the related board declaration must be adjusted from CET1 capital. For example, if an institution accrues a <u>patronage payable</u> to either another institution or a retail customer prior to the board declaration date, then it must add back this accrual to CET1.
6(k)	**Less: Other deductions required by FCA (net of associated DTLs).** Report in this item the average daily amount for the quarter of any other deductions required by FCA.
6(l)	**Total deductions & adjustments for CET1 capital.** Report in this item the average daily amount of the total of deductions to CET1 capital, which is the sum of lines 6(a) through 6(i), minus line 6(j), plus 6(k)
7	**Common Equity Tier 1 Capital.** Report in this item the average daily amount for the quarter of CET1 capital (See § 628.20 (b)). This form of capital represents the highest form of regulatory capital. CET1 capital is one of two components of Tier 1 capital. This item is a sum of Schedule RC-R.4, item 5 minus item 6(l).

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8	**Additional Tier 1 Capital (AT1).**
8(a)	**Noncumulative perpetual preferred stock.** Report in this item the average daily amount for the quarter of all qualifying additional tier1 (AT1) capital instruments and related surplus. FCA is not aware of any capital instrument besides noncumulative perpetual preferred stock to report in this item.
8(b)	**Other AT1 capital items and related surplus approved by FCA.** Report in this item the average daily amount for the quarter of all other AT1 capital items and related surplus approved by FCA.
8(c)	**AT1 capital before deductions.** Report in this item the average daily amount for the quarter of AT1 capital. Amount is the sum of Schedule RC-R.4, items 8a and 8b.
9	**AT1 deductions.**
9(a)	**Less: CDA deductions applied to AT1 capital due to insufficient amounts of Tier 2 capital to cover Tier 2 deductions.** Report in this item the average daily amount for the quarter of CDA deductions applied to AT1 capital due to an insufficient amount of Tier 2 capital to cover Tier 2 deductions.
9(b)	**Less: Excess above third party capital limits.** Report in this the average daily amount for the quarter excess above the third-party capital limits as described in § 628.23 of this rule. When applying this deduction first deduct the excess against Tier 2 capital, then if there is any remaining excess deduct it against AT1 capital, then apply any remaining excess deduction to CET1 capital.
9(c)	**Less: Other deductions required by FCA.** Report in this item the average daily amount for the quarter of other AT1 deductions that are required by FCA.
9(d)	**Total deductions for AT1 Capital.** Report in this item the average daily amount for the quarter of total deductions to AT1 capital which is the sum of line 9(a) through 9(c) on Schedule RC-R.4.
10	**Total AT1 Capital.** Report in this item the average daily amount for the quarter of AT1 capital (See § 628.20(c)). This form of capital is the second highest form of capital. ATI is one of two components of Tier 1 capital. AT1 capital is the total of Schedule RC-R.4, items 8(c) minus 9(d).
11	**Total Tier 1 Capital.** Report in this item the average daily amount for the quarter of Tier 1 capital. This form of capital is one of two components of Total Regulatory Capital. Tier 1 capital is the sum of Schedule RC-R.4, items 7 and 10.
12	**CCEs included in Tier 2 Capital.** Report in this item average daily amount for the quarter of common cooperative equity included in Tier 2 capital. This is the same amount reported on Schedule RC-R.3, line 6, column B.
13	**Other preferred stock and subordinated debt.**
13(a)	**Cumulative perpetual preferred stock.** Report in this item the average daily amount for the quarter for cumulative perpetual preferred stock. Report any excess amount paid above par at issuance in paid-in capital.
13(b)	**Limited-life preferred stock ≥ 5 years at issuance.** Report in this item the average daily amount for the quarter for both limited-life (term) preferred stock and their related surplus. The items

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	reported must have had a maturity equal to or greater than 5 years when issued.
13(c)	**Subordinated debt ≥ 5 years at issuance.** Report in this item the average daily amount for the quarter for subordinated debt and related surplus that had an original life equal to or greater than 5 years at their issuance.
13(d)	**Total other preferred stock and subordinated debt.** Report in this item the average daily amount for the quarter for other preferred stock and subordinated debt and their related surplus. This item represents a sum of Schedule RC-R.4, items 13(a) through item 13(c).
14	**Amount of adjusted allowances for credit losses (AACL) included in Tier 2 capital.**
14(a)	**Adjusted allowances for credit losses (AACL), excluding reserves for unfunded commitments.** Include in this item the average daily amount for the quarter for the adjusted allowance for credit losses as defined in § 628.2.b, excluding reserves for unfunded commitments reported in 14(b).
14(b)	**Reserve for credit losses on off-balance sheet credit exposures.** Report in this item the average daily amount for the quarter of the reserve for credit losses on off-balance sheet exposures. This item is like the item reported on Schedule RC, item 15, except this reported item is an average daily amount for the quarter.
14(c)	**Total adjusted allowance.** This item is a sum of items in 14(a) and 14(b).
14(d)	**Risk-weighted assets** Report in this item the maximum amount of the AACL and reserve for credit losses on off-balance sheet credit exposures to be included in Tier 2 capital. This item is the total of RC-R.7, item 25 multiplied by 0.0125. See FCA regulation § 628.20(d)(3).
14(e)	**Amount included in Tier 2 capital.** Report in this item the lesser of the average total of the allowance and reserve for credit losses on off-balance sheet exposure, and the maximum amount of the allowance and credit reserve that can be included in Tier 2 capital.
15	**Other Tier 2 capital items approved by FCA.** Report in this item the average daily amount of the quarter for any other items that FCA has approved for inclusion in Tier 2 capital.
16	**Tier 2 capital before deductions.** Report in this item the average daily amount for the quarter of Tier 2 capital before applying deductions. This is a sum of RC-R.4, lines 12, 13(d), 14(e) and 15.
17	**Tier 2 deductions:**
17(a)	**Less: Amount of purchased investments in other System institutions using the CDA** Report in this item the average daily amount for the quarter of purchased investments in another System institutions using the corresponding deduction approach (CDA). When an institution purchases an equity investment in another System institution, there is a transfer of capital from the purchaser to the issuer. For example, the CDA works in the following way: If the issuing institution (a bank) that holds the investment treats the capital item as tier 2 capital, then the investing institution (the

Item No.	Caption and Instructions
	association) must deduct the investment from its Tier 2 capital. If the bank treats the purchased equity investment as CET1 capital, then the association must deduct the purchased equity investment from its CET1 capital. For regulatory capital and call report purposes, FCA has decided to treat equity investments in System institutions, service corporations and the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) similarly. See FCA regulations §§ 628.2, 611.1135, and 619.8185. All these entities are System institutions: • System institutions include: ACBs, FCBs, FLCAs, ACAs, and the Farm Credit Leasing Services Corporation (FCL). • System service corporations include: FCS Building Association, Farm Credit Financial Partners, Inc. (FPI); AgVantis, Inc.; and Farm Credit Foundations. FCL is a service corporation. • Funding Corporation. For call report purposes, institutions that hold equity investments in UBEs and the Farm Credit System Association Insurance Captive Company must risk weight these investments as prescribed in FCA Regulation § 628.53. Therefore, risk weight these equity investments at 100 percent as required in RC-R.7, line 7. AgDirect, LLC is a UBE.
17(b)	**Less: Excess above third party capital limits.** Report in this item the average daily excess amount above the third-party capital limit. Third-party capital limits are described in § 628.23 of this rule. First apply the amount against Tier 2 capital but if any remaining amount apply to AT1 capital.
17(c)	**Less: Other deductions required by FCA.** Report in this item the average daily amount of other deductions to tier 2 that are required by FCA. First apply the amount against Tier 2 capital but if any remaining amount apply to AT1 capital.
17(d)	**Total deductions for Tier 2 capital.** Report in this item the average of the sum of Schedule RC-R.4, items 17(a) through 17(c).
18	**Less: Phased-out amount of limited life preferred stock and subordinated debt.** Report in this item the average aggregate phased-out amount that is deducted from the notional balance for all issues of limited-life (term) preferred stock and subordinated debt (notional amount). The limited-life stock or subordinated debt included in this item must have a minimum maturity of 5 years at issuance. The phase-out amount consists of multiplying the notional amount of the issue by 20 percent for each of the 5 years remaining life of the issue. See the Definitions in FCA Regulation § 615.5201. Ex. Limited-life preferred stock initial amount issued was $7,000 for 5 years

Item No.	Caption and Instructions
	Current Year / *Years Remaining* / *Factor Used Times 20%/Year* / *Amount Deducted* Y_1 — 5 years — 1 X 20% = 20% — $1,400 Y_2 — 4 years — 2 X 20% = 40% — $2,800 Y_3 — 3 years — 3 X 20% = 60% — $4,200 Y_4 — 2 years — 4 X 20% = 80% — $5,600 Y_5 — 1 year — 5 X 20% = 100% — $7,000
19	**Total Tier 2 capital.** Report in this item the average daily amount for the quarter of Tier 2 capital (See § 628.20 (d)). This is the lowest quality capital in the Tier 1/Tier 2 Capital Framework. Tier 2 capital is one of two components of Total Regulatory Capital. This item is the total of Schedule RC-R.4, item 16 minus items 17(c) and 18.
20	**Total Regulatory Capital.** Report in this item the average daily amount for the quarter of total regulatory capital. FCA Regulations § 628.2 Definitions use the term Total Capital; however, for call reporting purposes, FCA will use the term Total Regulatory Capital. This item is a sum of Schedule RC-R.4, items 11 and 19.
21	**Total deductions from regulatory capital.** Report in this item the average daily amount for the quarter of deductions made from CET1 capital, AT1 Capital, and Tier 2 capital. See Call Report Schedules RC-R.4, items 6(l), 9(d), and 17(d).

Schedule RC-R.5: Miscellaneous Tier 1/Tier 2 Calculations

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

This schedule includes calculations for adjustment to total assets for leverage ratio and the calculations of the unallocated retained equities (URE) and URE equivalents.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Total average assets for the leverage ratio.**
1(a)	**Average total assets.** Report in this item the average daily amount for the quarter for total assets. This item amount should be the same as Schedule RC-G, item 9.
1(b)	**Less: Deductions for CET1 and AT1 capital.** Report in this item the average daily amount for the quarter of certain deductions made to CET1 capital and AT1 capital. The amount reported should be equal to the sum of deductions from CET1 capital as reported in Call Report Schedule RC-R.4, items 6(a) through 6(i), plus deductions from AT1 capital reported in Call Report Schedule RC-R.4, item 9(d).
1(c)	**Less: Other adjustments required by FCA.** Report in this item the average daily amount for the quarter of any other adjustments required by FCA for the denominator of the Tier 1 leverage ratio, where there is a corresponding deduction to an institution's assets. (Note: If an institution is directed to remove certain equities from regulatory capital due to an instrument's failure to meet certain regulatory requirements for inclusion, this would not result in an adjustment to average assets for computation of the Tier 1 Leverage Ratio.)
1(d)	**Total average assets for Leverage ratio.** Report in this item the quarterly amount of the adjusted assets used for the Tier 1 leverage ratio. This item is a calculation of Schedule RC-R.5, item 1(a) less items 1(b) and 1(c).
2	**URE and URE equivalents**
2(a)	**Paid-in-capital.** Report the excess amount paid above par for any capital instrument except those equities purchased as condition of receiving a loan. For example, this would refer to the excess amount above par received from the sale of third-party capital. In mergers, this term also refers to the excess amount an acquirer pays above the book value for the acquiree's institution. Report the amounts representing financial assistance from other Farm Credit institutions in the form of paid-in surplus on this line. This is the same amount reported on Schedule RC-R.4, item 2.
2(b)	**Unallocated Retained Earnings.**

Item No.	Caption and Instructions
	Report in this item the average daily amount for the quarter of URE (including undistributed earnings or losses) as defined in FCA Regulation § 628.2. This item is also known as average unallocated surplus. The amount reported in this item is net of surplus and stock allocations and cash distributions of dividends and patronage. Record equity allocations as a transfer to another net worth category (see Schedule RI-D in Net Worth) and record cash distributions until paid as a payable (See Schedule RC Balance Sheet). If it is clearly the institution's plans to allocate equity at yearend or to make other cash distributions (dividends or patronage), report the accruals or distributions in the quarterly Call Reports. Make quarterly accruals for patronage as prescribed in the ASC Subtopic 905-310-25. Institutions must recognize patronage when EITHER: A) The related patronage occurs if all of the following are probable: 1) A patronage refund applicable to the period will be declared, 2) One or more future events confirming the receipt of a patronage refund are expected to occur, 3) The amount of the refund can be reasonably estimated, and 4) The accrual can be consistently made from one year to the next, or B) On notification by the distributing agricultural cooperative. This is the same amount reported on RC-R.4 item 3. For regulatory capital purposes, any accruals of dividends or patronage (payables or receivables) that occur before the board declaration date must be deducted from regulatory capital. Specifically, this accrual must be reversed from or to URE before it is reported in this item. This adjustment should then carry through to reported on RC-R.5, item 2(b) and to RC-R.6, item 2(b). For example: • If an institution accrues a patronage receivable from another institution prior to board declaration date, then it must subtract this accrual from its URE. • If an institution accrues a patronage payable to either another institution or a retail customer prior to the board declaration date, then it must add back this accrual to its URE.
2(c)	**Nonqualified allocates surplus not subject to retirement.** Report in this item the average daily amount for the quarter of nonqualified allocated surplus not subject to retirement included in CET1 capital. This is the same amount reported on Schedule RC-R.3, line 5(d), column A. For this form of allocated equities to count as URE equivalents, an institution must designate them as URE equivalents at the time of allocation (or on or before March 31, 2017).

Item No.	Caption and Instructions
2(d)	**Less: Amount of equities that are allocated to other System institutions.** Report in this item the average daily amount for the quarter of allocated equity investment in another System institution. This deduction is applied from the perspective of the institution issuing the equities. For instance, Institution A (a bank) under part 628 will count allocated equity investments belonging to Institution B (an association) in its (institution's A) CET1 or Tier 2 capital. When calculating URE and their equivalents (URE Equivalents), the same System Institution A (most cases a bank) must now deduct institutions B's allocated equity investment from its (institution A's) URE. No deduction for Tier 2 is necessary since URE is always part of CET1 capital.
2(e)	**Less: Total deductions & adjustments from CET1 capital** Report in this item the average daily amount of the total deductions to CET1 capital. This item is equal to Call Report Schedule RC-R.4, item 6(l).
2(f)	**Total URE and URE equivalents.** Report in this item the total average daily amount for the quarter of unallocated retained earnings (URE) and URE equivalents. Report in this item the sum of Schedule RC-R.5 items 2(a), 2(b), and 2(c) minus lines 2(d) and 2(e). This item represents the average daily amount for the quarter of URE and URE equivalents, which is the numerator for the calculation of the URE and URE equivalents leverage measure in § 628.10(b)(4).

Schedule RC-R.6: Permanent Capital Numerator

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

Schedule RC-R.6 calculates the numerator for permanent capital.

Line-Item Instructions

Item No.	Caption and Instructions
1	**CCEs included in Permanent Capital.** Report in this item the average daily amount for the quarter of common cooperative equities included in permanent capital. This item is the same amount reported on Schedule RC-R.3, line 6, column D.
2	**Additions to permanent capital.**
2(a)	**Paid-in capital.** Report the excess amount paid above par for any capital instrument except those equities purchased as a condition of receiving a loan. For example, this would refer to the excess amount above par received from the sale of third-party capital. In mergers, this term also refers to the excess amount an acquirer pays above the book value of the acquiree's institution. Report on this line any financial assistance from other Farm Credit institutions in the form of paid-in surplus. This specific item is like items reported on Schedule RC, item 20, except this item is a daily average amount for the quarter. This item is the same amount reported on Schedule RC-R.4, item 2 and RC-R.5 item 2(a).
2(b)	**URE (Unallocated Retained Earnings).** Report in this item the quarterly average amount of URE (including undistributed earnings or losses) as defined in § 628.2 of this rule. Another common name for this item is average unallocated surplus. The amount reported in this item excludes any retained earnings, surplus, or stock allocated to members-borrowers. This will be equal to the amount reported on RC-R.4 item 3 and RC-5 item 2.b.
2(c)	**Capital items previously approved by FCA.**
2(c)(i)	**Noncumulative perpetual preferred stock.** Report in this item the average daily amount for the quarter of qualifying AT1 instruments and its related surplus (noncumulative perpetual preferred stock). This item is the same amount reported on Schedule RC-R.4, Line 8(a).
2(c)(ii)	**Other preferred stock and subordinated debt.** Report in this item the average daily amount for the quarter of other preferred stock and subordinated debt approved by FCA for inclusion in Total Regulatory Capital and permanent capital. This item includes: a. Cumulative perpetual preferred stock as described in Schedule RC-R.4, item 13(a), b. Limited-life (term) preferred stock described in Schedule RC-R.4 item 13(b), and c. Subordinated debt as described in Schedule RC-R.4, item 13(c).

Item No.	Caption and Instructions
	This is the same amount reported in Schedule RC-R.4, item 13(d).
2(c)(iii)	**Other perpetual preferred stock.** Report in this item the average daily amount for the quarter for "continuously redeemable" perpetual preferred stock. FCA has approved several associations holding this type of stock for inclusion in permanent capital provided proper disclosures are made to the member-borrower. This stock is redeemable only at board discretion and cannot be redeemed unless the institution meets certain permanent capital standards. This form of capital does not count in any form in Total Regulatory Capital.
2(c)(iv)	**Total capital items previously approved by FCA.** Report in this item average daily amounts of the quarter the sum of other capital items previously approved by FCA.
2(d)	**Additional items** Report in this item average daily amounts of the quarter the sum of other capital items approved by FCA by or after January 1, 2017, for inclusion in permanent capital. Do not report amounts included per allotment agreements here. Allotment agreements are addressed in item 4(c).
2(e)	**Total Additions to Permanent Capital.** Report in this item the average additions to permanent capital. The item is a sum of Schedule RC-R.6 items 2(a) through 2(d).
3	**Permanent Capital before deductions.** Report in this item the average daily amount of permanent capital before deductions.
4	**Deductions to Permanent Capital.**
4(a)	**Less: Goodwill – net of associated deferred tax liabilities.** Report in this item the average daily amount for the quarter of goodwill, net of associated deferred tax liabilities (DTLs) on an institution's balance sheet. Goodwill is an intangible asset which represents excess paid above par for an entity. Because FCA approves all institution mergers, goodwill will rarely appear on a balance sheet. (See FCA Regulation § 628.22(a)(1).) This item is the same amount reported on Schedule RC-R.4, item 6(a).
4(b)	**Less: Deferred tax assets.** Report in this item the average daily amount for the quarter of deferred tax assets (DTAs) that arise from net operating losses and tax credit carryforwards that are net of any related valuation allowances and net of deferred tax liabilities. See FCA Regulation § 628.22(a). Be aware the capital rule does not treat all DTAs similarly: • An institution must generate future earnings to apply a DTA and reduce future taxes, and not before. Thus, the rule deducts DTAs arising from net operating losses and tax credit carryforwards. • DTAs arising from temporary differences in loss carrybacks are risk-weighted at 100 percent. See FCA Regulation § 628.32(l)(3). This item is the same amount reported on Schedule RC-R,4 item 6(c).
4(c)	**Less: Amount of allocated investments allotted to other System institutions per §§ 615.5207 and 615.5208.** Deduct the items listed below: #1. Deductions related to allocated investment in other System institutions (other funding banks, non-affiliated associations, service

Item No.	Caption and Instructions
	corporations, and the funding corporation) (excluding allotment agreement deductions). Except for adjustments provided for in allotment agreements (described below), report in this item the average daily amount for the quarter of allocated equity investments in other System institutions. Only the institution who allocated (issued) the equities may include those equities in its permanent capital. The institution who received the allocated equity investment must deduct the equity investment from its permanent capital. For call report purposes, FCA has decided to treat allocated investments in other System institutions, service corporations, and the Funding Corporation similarly. If a service corporation or the Funding Corporation has issued allocated equities (stock or surplus) to a System institution that institution should deduct that investment as they would any equity investment in another System institution. For the most part, service corporations and the Funding Corporation pay only a cash patronage refund to their members, but some have bylaws which allow them to allocate equities. For the definition of the types of institutions, see FCA regulations §§ 628.2, 611.1135, and 619.9185. All these entities are System institutions: • System institutions include: ACBs, FCBs, FLCAs, ACAs, and the Farm Credit Leasing Services Corporation (FCL). • System service corporations include: FCS Building Association, Farm Credit Financial Partners, Inc. (FPI); AgVantis, Inc.; and Farm Credit Foundations. Although FCL is included with direct lenders, it is actually a service corporation wholly owned by CoBank. • Funding Corporation. #2. Deductions related to allotment agreements between banks and their affiliated associations. The deductions described in #1 above must be adjusted in accordance with allotment agreements between the bank and each association. Allotment agreements govern how much of an association's allocated equity investment in the bank is included in each institution's respective permanent capital calculation. See FCA regulation § 615.5208(a) for the requirements of allotment agreements between banks and associations and regulation § 615.5208(b) for the formula to be applied if an agreement between the association and its affiliated bank does not exist.
4(d)	**Less: Amount of purchased investments in other System institutions.** Report in this item the average daily amount for the quarter of purchased equity investments in other System institutions (banks, associations, service corporations and the Funding Corporation). Service corporations include:

Item No.	Caption and Instructions
	• The FCS Building Association, • Farm Credit Leasing Services Corporation (FCL), • Farm Credit Financial Partners Inc., (FPI), • AgVantis, Inc., • Farm Credit Foundations, and • Any institution FCA approves under Sec. 4.25 of the Act. Note: System institutions must risk weight equity investments in UBEs and the Farm Credit System Association Captive Insurance Company at 100 percent. AgDirect, LLC is considered a UBE.
4(e)	**Less: Phased-out amount of limited life preferred stock and subordinated debt.** Report in this item the average aggregate phased-out amount that is deducted from the notional balance for all issues of limited-life (term) preferred stock and subordinated debt (notional amount). The limited-life stock or subordinated debt included in this item must have a minimum maturity of 5 years at issuance. The phase-out amount consists of multiplying the notional amount of the issue by 20 percent for each of the 5 years remaining life of the issue. See the Definitions in FCA Regulation § 615.5201. Ex. Limited-life preferred stock initial amount issued was $7,000 for 5 years *Current Year* / *Years Remaining* / *Factor Used Times 20%/Year* / *Amount Deducted* Y_1 — 5 years — 1 X 20% = 20% — $1,400 Y_2 — 4 years — 2 X 20% = 40% — $2,800 Y_3 — 3 years — 3 X 20% = 60% — $4,200 Y_4 — 2 years — 4 X 20% = 80% — $5,600 Y_5 — 1 year — 5 X 20% = 100% — $7,000 This item is the same amount reported on Schedule RC-R.4, line 18.
4(f)	**Less: Excess above third–party capital limits.** Report in this item the average daily amount for the quarter of excess capital above the third-party capital limits not included in permanent capital. This amount should be the sum of Schedule RC-R.4, items 9(b) and 17(b).
4(g)	**Less: Other deductions required by FCA.** Report in this item the average daily amount for the quarter of other deductions required by FCA. In addition, include here adjustments to regulatory capital made in accordance with § 628.22(b). Specifically, include here patronage or dividend accrued receivables deducted from regulatory capital per § 628.22(b) net of patronage or dividend accrued payables added back to regulatory capital per § 628.22(b) (RC-R.4 item 6(i) less RC-R.4 item 6(j)).
4(h)	**Total Deductions.** Report in this item the average daily amount for the quarter of deductions to permanent capital. This item is a sum of Schedule RC-R.6, items 4(a) through 4(g).

Item No.	Caption and Instructions
5	**Total Permanent Capital.** Report in this item the average daily amount for the quarter of permanent capital. This item is RC-R.6 item 3 minus RC-R.6, item 4(h).

Schedule RC-R.7: Risk-Weighted Assets (RWAs)

The following schedules: RC-R.1, RC-R.2, RC-R.3, RC-R.4, RC-R.5, RC-R.6 AND RC-R.7 use average daily amounts for the quarter or 90-day average daily balances. These schedules may contain references to other schedules; however, be aware that those referenced schedules may use quarter-end balances and may not precisely reconcile back to these RC-R schedules.

The instructions for Schedule RC-R.7 account for the denominator of the Tier 1/Tier 2 capital rule – explaining how to properly risk weight and report on- and off-balance sheet items in the rule for call reporting purposes. The instructions are divided into two main sections: 1) On-balance sheet exposures (lines 1 to 8); and, 2) Off-balance sheet exposures (lines 9 to 17). More specifically, the instructions for lines 1 through 17 provide general direction for the allocation of System institution balance sheet assets, credit equivalent amounts of derivatives and off-balance sheet items, and unsettled transactions to the risk weight categories in columns C through Q, and to the total exposure or "notional" amounts in column A. Lines 18 and 19 reflect totals of the RWAs for the on- and off-balance sheet items, and lines 22 through 28 are all single column lines that reflect actual amounts – not exposure or credit equivalents – that are pulled or combined from other line items in the various RC-R schedules.

Bear in mind, however, that these instructions do not address every type of exposure, and System institutions should review the regulatory capital rule for the complete description of capital requirements.

Accumulated Other Comprehensive Income (AOCI)

Note: In the regulatory final capital rule (81 FR 49720), all System institutions have been exempted (opted out) from any impacts of AOCI on both regulatory and permanent capital. This total AOCI exemption also includes defined benefit pension fund assets, net of associated deferred tax liabilities (DTLs).

Treatment of Collateral and Guarantees

The rules for recognition of collateral are in § 628.37 and pertinent definitions are in § 628.2 of the capital rule. The rule defines qualifying financial collateral as cash on deposit at a depository institution or Federal Reserve bank, gold bullion, investment grade long- and short-term debt exposures (that are not resecuritization exposures), publicly traded equity securities, publicly traded convertible bonds, and money market fund or other mutual fund shares with prices that are publicly quoted daily.

System institutions may apply one of two approaches (as reflected in § 628.37) to recognize the risk-mitigating effects of qualifying financial collateral:

1. Simple Approach – this can be used for any type of exposure. Under this approach, banks may apply a risk weight to the portion of an exposure that is secured by the fair value of the financial collateral based on the risk weight assigned to the collateral under § 628.32.

2. Collateral Haircut Approach – this can be used only for repo-style transactions, eligible margin loans, collateralized derivative transactions, and single-product netting sets of such transactions. Under this approach, banks would apply either standard supervisory haircuts or internal estimates for haircuts to the value of the collateral.

Long term standby purchase commitments (LTSPC) agreements offered by Farmer Mac and Fannie Mae meet the definition of eligible guarantees and eligible guarantors under § 628.2. Generally, the loan exposures with a Fannie Mae or a Farmer Mac LTSPC receive a risk weighting pursuant to §§ 628.36(a) and (c), and § 628.32 (20 percent). However, Farmer Mac has offered LTSPCs with a "first loss" exposure, which under § 628.36(a)(3) would be treated as a tranching of credit risk (reflecting at least two different levels of seniority) and, therefore, considered as securitization exposures under §§ 628.41 through 628.45. If the institution cannot assign a risk weight under the Simplified Supervisory Formula Approach (SSFA) (§ 628.42) or the Gross-up approach (§ 628.43), then it must assign a 1,250 percent risk weight under § 628.44.

Treatment of Equity Exposures

The treatment of equity exposures is outlined in § 628.51 through § 628.53 of this rule. System institutions must use different methodologies to determine risk-weighted assets for their equity exposures.

- The Simple Risk Weight Approach (SWRA) – which must be used for all types of equity exposures that are not equity exposures to a mutual fund or other investment fund, and;

- The full look-through, simple modified look-through, and alternative modified look-through approaches for equity exposures to mutual funds and other investment funds.

Under the SWRA, System institutions must determine the risk weighted assets amount of an individual equity exposure by multiplying 1) the adjusted carrying value of the exposure or 2) the effective portion and ineffective portion of a hedge pair by the lowest possible risk weight ranging from 0 percent to 600 percent depending on the specific type of exposure involved.

Under the full look-through approach, System institutions calculate the aggregate RWA amounts of the carrying value of the exposures held by the fund as if they were held directly by the institution multiplied by the institution's proportional share of the fund.

Under the simple modified look through approach, RWAs for an equity exposure is equal to the exposure's adjusted carrying value multiplied by the highest risk weight that applies to any exposure the fund is permitted to hold under the prospectus, partnership agreement, or similar agreement that defines the fund's permissible investments.

Under the alternative modified look-through approach, System institutions may assign the adjusted carrying value on a pro rata basis to different risk-weight categories based on the limits in the fund's prospectus, partnership agreement, or similar contract that defines the fund's permissible investments.

Note: Intra-system equity investments are a deduction from regulatory capital that are not assigned a risk weight in FCA's capital rules and should not be included in risk weighted assets as reflected on lines 1-21 of this schedule.

Treatment of Exposures to Sovereign Entities and Foreign Banks

The call report instructions to Schedule RC-R.7 contain multiple references to Country Risk Classifications (CRC) used by the Organization for Economic Cooperation and Development (OECD). The CRC methodology classifies countries into one of eight risk categories (0-7), with countries given the zero category for having the lowest possible risk assessment and countries given the 7 category for having the highest possible risk assessment. The OECD regularly updates CRCs for more than 150 countries and makes the assessments publicly available on its website (http://www.oecd.org/trade/xcred/crc.htm). The OECD does not assign a CRC to every country; for example, it does not assign a CRC to many major economies nor does it assign a CRC to many smaller countries. In addition, there is a higher risk weight of 150 percent for any country that has defaulted on its sovereign debt within the past 5 years, regardless of the CRC rating.

Allowance for Loan Losses (ALL)

The adjusted allowance for credit losses (AACL) is includible in Tier 2 capital up to an amount equal to 1.25 percent of total RWA. The AACL, as defined at § 628.2, excludes allowances on available-for-sale securities, and purchased-credit-deteriorated assets. Relatedly, effective January 1, 2023, the "carrying value" for available-for-sale securities and purchased-credit-deteriorated assets is reduced by any associated credit loss allowance determined in accordance with GAAP, and should be reported on the related line item in schedule RC-R.7 accordingly (i.e., net of related allowances). For all other assets, the "carrying value" reported in schedule RC-R.7 is not reduced by any associated credit allowance and should be reported accordingly. The revised definition of "carrying value" is also at § 628.2.

The Call Report instructions to Schedule RC-R.7 contain multiple references to Country Risk Classifications (CRC) used by the Organization for Economic Cooperation and Development (OECD). The CRC methodology classifies countries into one of eight risk categories (0-7), with countries given the zero category for having the lowest possible risk assessment and countries given the 7 category for having the highest possible risk assessment. The OECD regularly updates CRCs for more than 150 countries and makes the assessments publicly available on its website (http://www.oecd.org/trade/xcred/crc.htm). The OECD does not assign a CRC to every country; for example, it does not assign a CRC to many of the major economies nor does it assign a CRC to many smaller countries. In addition, there is a higher risk weight of 150 percent for any country that has defaulted on its sovereign debt within the past 5 years, regardless of the CRC rating.

Note: See Tables 1 through 4 in § 628.32 for the various CRC risk weightings for exposures to foreign central governments (including foreign central banks), exposures to foreign banks, general obligation exposures to foreign public sector entities, and revenue obligation exposures to foreign public sector entities, respectively.

Column Instructions

Column	Caption and Instructions
A	**This column is the average total credit exposure amount of risk-weighted assets in the denominator.** The total exposure amount is the actual credit exposure that is to be risk weighted before applying any credit conversion factors. In most cases, this quarterly average exposure amount will be the same as notional amount. For on-balance sheet items, the total exposure amount should be the sum of the individual risk weights for each line category. For off-balance sheet items (such as derivatives), the exposure amount is comprised of two components: 1) the current credit exposure (CCE); and 2) the potential future credit exposure (PFE). The CCE is the greater of zero or the mark-to-value of the derivative contract. The PFE is generally the notional amount of the derivative contract multiplied by a credit conversion factor for the type of derivative. Credit conversion factors for derivative contracts are listed in Table 1 of § 628.34 of the regulatory capital rule.
B	**This column lists the credit conversion factors. Certain OBS exposures are multiplied by these credit conversion factors to obtain the credit equivalent amounts.** The credit conversion factors (CCFs) are applied to certain off-balance sheet exposures (OBS). CCFs are one of the criteria in determining the credit equivalent amount for OBS exposures and are found under § 628.33(b) of the regulatory capital rule.
C	**This column reflects the credit equivalent amount of an OBS exposure.** The credit equivalent is the calculated or adjusted amount of exposure after factoring in the CCF. The credit equivalent amount is the actual exposure or 'notional' amount multiplied by the CCF.
D	**This column is for the 0 percent risk weight.** The zero percent risk weight generally applies to and/or includes exposures to the U.S. Government, its central bank or its agencies that are directly and unconditionally guaranteed, exposures to certain supranational entities and multilateral development banks (MDBs), exposures to sovereigns that are members of the Organization for Economic Cooperation and Development (OECD) that have a Country Risk Classification (CRC) of 0 or 1 or an OECD member with no CRC, and certain other assets that are specified in § 628.32(l) of the regulatory capital rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
E	**This column is for the 2 percent risk weight.** The 2 percent risk weight generally applies to exposures to cleared transactions with a qualifying central counterparty (QCCP) or clearing member if the collateral posted by a System institution is basically bankruptcy remote and the clearing member client System institution has conducted sufficient legal review and concludes with a well-founded legal basis that in the event of a legal challenge, the relevant court and administrative authorities would find the arrangements to be legal, valid, binding and enforceable under the laws of the relevant jurisdictions.

Column	Caption and Instructions
	Under the regulatory capital rule, we define "cleared transactions" as an exposure with an outstanding derivative contract or repo-style transaction that a System institution or clearing member has entered into with a central counterparty (CCP). Cleared transactions include the following: 1) a transaction between a clearing member client System institution and a clearing member where the clearing member acts as a financial intermediary on behalf of the client and enters into and offsetting transaction with a CCP; and 2) a transaction between a clearing member client System institution and a CCP with a clearing member client guarantees the performance of the client to the CCP. Note: The System has historically been a derivative end-user. They have indicated that they plan to remain a clearing member client and, therefore, must use a clearing member to clear trades with a CCP. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
F	**This column is for the 4 percent risk weight.** The 4 percent risk weight generally applies to exposures to cleared transactions with a QCCP or clearing member if the criteria stipulated in § 628.35(b)(3(i)(A) of this regulatory capital rule are not met. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
G	**This column is for the 10 percent risk weight.** The 10 percent risk weight generally applies as an exception to the 20 percent minimum risk-weight floor in § 628.37(b)(2)(i) of this regulatory capital rule. A System institution may assign a 10 percent risk-weight to an exposure to an OTC derivative contract that is marked-to-fair value daily and subject to a daily margin maintenance requirement, to the extent that the contract is collateralized by an exposure to a sovereign that qualifies for a zero percent risk weight under § 628.32 of this regulatory capital rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
H	**This column is for the 20 percent risk weight.** The 20 percent risk weight generally applies to and/or includes exposures that are conditionally guaranteed by the U.S. Government, its central bank, or its agencies (including the portion of an exposure that is conditionally guaranteed by the FDIC or the NCUA. This risk weight also includes sovereign exposures to OECD members with a CRC of 2, exposures to Government-sponsored enterprises, exposures to U.S. depository institutions and credit unions, and System bank exposures to OFIs that meet the criteria of § 628.32(d)(1) of the regulatory capital rule.

Column	Caption and Instructions
	Also included in the 20 percent risk weight are exposures to foreign banks that have a CRC of 0 or 1 or a foreign bank whose home country is an OECD member but does not have a CRC. Exposures to public sector entities (PSEs) organized under U.S. laws or any state or political subdivision of the U.S., and general obligations for non-U.S. based PSEs are further included in this risk weight. Also included in the 20 percent risk weight are cash items in the process of collection. Note: There is also a 20 percent minimum risk weight floor to the collateralized portion of an exposure as described under § 628.37(b)(2)(i) of the rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
I	**This column is for the 50 percent risk weight.** The 50 percent risk weight generally applies to and/or includes sovereign exposures to OECD members with a CRC of 3, exposures to foreign banks that have a CRC of 2, U.S. based PSEs with revenue obligation exposures from OECD members with a CRC of 0 or 1 or and OECD member with no CRC, and general obligation exposures from OECD members with a CRC of 2. Also included in this risk weight are OFIs that do not meet the criteria for the 20 percent risk weight, but that satisfy the requirements under § 628.32(f)(2) of this regulatory capital rule. Furthermore, residential mortgage exposures that meet all of the criteria specified under § 628.32(g)(1) of the rule are also risk-weighted at 50 percent. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight category.
J	**This column is for the 100 percent risk weight.** The 100 percent risk weight generally applies to and/or includes sovereign exposures to OECD members with a CRC of 4 through 6, or non-OECD members with no CRC, exposures to foreign banks with a CRC of 3 and whose home countries have OECD membership status or are non-OECD members with no CRC. Also included in the 100 percent risk weight are general obligation exposures for non-U.S. PSEs with a CRC of 3 whose home countries are OECD members or non-OECD members with no CRC, and revenue obligation exposures for non-U.S. PSEs with a CRC of 2 or 3 whose home countries are OECD members or non-OECD members with no CRC. Further included in this risk weight are all corporate exposures as described in § 628.32(f) and any exposure not specifically given or designated a risk weight in columns D through I and K and are also not deducted from tier 1 or tier 2 capital as stipulated in § 628.22 of the rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight category.
K	**This column is for the 150 percent risk weight.**

Column	Caption and Instructions
	The 150 percent risk weight generally applies to past due and nonaccrual exposures as described under § 628.32(k) of the regulatory capital rule. Sovereign exposures which have defaulted within the past 5 years or exposures to a foreign bank in which the bank's home country has defaulted within the past 5 years are also risk weighted at 150 percent. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
L	**This column is for the 600 percent risk weight.** The 600 percent risk weight generally applies to equity exposures to an investment firm, provided that the investment firm would meet the requirements stipulated in § 628.52(b)(7) of the regulatory capital rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
M	**This column is for the 625 percent risk weight.** The 625 percent risk weight generally applies to unsettled transaction exposures for any delivery-vs-payment (DvP) or payment-vs-payment (PvP) transactions with a normal settlement period of 5 business days if the System institution's counterparty makes payment within 16 to 30 business days after the contractual settlement date as reflected in Table 1 of § 628.38. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
N	**This column is for the 937.5 percent risk weight.** The 937.5 percent risk weight generally applies to unsettled transaction exposures for any delivery-vs-payment (DvP) or payment-vs-payment (PvP) transactions with a normal settlement period of 5 business days if the System institution's counterparty makes payment within 31 to 45 business days after the contractual settlement date as reflected in Table 1 of § 628.38. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
O	**This column is for the 1,250 percent risk weight.** The 1,250 percent risk weight (also referred to as "dollar-for-dollar") generally applies to securitization exposures under § 628.44 of the regulatory capital rule if a System institution does not have the appropriate data to assign parameters described in paragraph (b) of that section. Also included in this risk weight are all securitization exposures to which the SSFA and the Gross-Up approach do not apply under § 628.44. The 1,250 percent risk weight further applies to the portion of a credit-enhancing interest-only strip (CEIO) that does not constitute an after-tax gain-on-sale as provided in § 628.22 of the rule.

Column	Caption and Instructions
	Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
P	**This column reflects the Simplified Supervisory Formula Approach.** The SSFA is an alternative type of risk weight methodology that allows System institutions to risk weight certain securitization exposures if they have the appropriate data to assign accurate parameters as described in § 628.43(b) of the regulatory capital rule. The SSFA is a formulaic-based risk weighting methodology that has five inputs for the calculations as follows: 1) K_G, which is the weighted-average total capital requirement of the underlying exposures calculated using § 628.43(b); 2) Parameter W, which is the ratio of the sum of the dollar amounts of any underlying exposures that meet any of the criteria as set forth in paragraphs (b)(2)(i) through (vi) of § 628.43 to the balance of the underlying exposures; 3) Parameter A, which is the attachment point for the exposure and represents the threshold at which credit losses will first be allocated to the exposure; 4) Parameter D, which is the detachment point for the exposure and represents the threshold at which credit losses of principal allocated to the exposure would result in a total loss of principal; and, 5) A supervisory calibration parameter, p, equal to 0.5 for securitization exposures that are not resecuritization exposures and equal 1.5 for resecuritization exposures. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.
Q	**This column reflects the Gross-Up Approach.** The Gross-Up approach is an alternative risk weight methodology that permits a System institution to risk weight certain securitization exposures as described in § 628.43(e) in the regulatory capital rule. The Gross-Up is a formulaic-based risk weighting methodology that has four inputs for the calculations as follows: (i) Pro rata share A, which is the par value of the System institution's securitization exposure X as a percent of the par value of the tranche in which the securitization exposure resides Y; (ii) Enhanced amount B, which is the value of tranches that are more senior to the tranche in which the System institution's securitization resides; (iii) The exposure amount of the System institution's securitization exposure calculated under § 628.42(c) C = carrying value of the exposure; and (iv) Risk weight (RW), which is the weighted-average risk weight of underlying exposures in the securitization pool as calculated in § 628.43(e) of the rule. Please refer to the individual cell references (in the RC-R.7 schedule matrix) for more detailed instructions of the specific types of assets that are included in each line for this risk weight.

Line-Item Instructions

Item No.	Caption and Instructions
1	**Cash and balances due from depository institutions or Federal Reserve.** Report in column A, the quarterly average amount of cash and balances due from depository institutions, Federal Reserve Banks and System banks as reported in Schedule RC – Balance Sheet, item 1, excluding those balances due from depository institutions that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Those balances due from depository institutions reported in Schedule RC – Balance Sheet, item 1 that qualify as securitization exposures must also be reported in Schedule RC-R.7, line 4(c), column A. Column A: Report the average daily exposure amount for the quarter of cash and due balances from a depository institution, Federal Reserve Bank, or System bank like the items reported on Schedule RC, item 1, excluding those balances that qualify as a securitization exposure as defined in § 628.2. Column D: Includes the insured (FDIC and NCUA) balances due from depository institutions and credit unions, or balances due from the Federal Reserve Bank, or balances due from foreign central banks with a Country Risk Classification (CRC) of 0 or 1 or which is an OECD Member with no CRC. Include cash in transit and cash owned and held in all of offices of the reporting System institution. Column H: Includes any balances due from depository institutions and credit unions in excess of any applicable deposit insurance limits for deposit exposures or where the FDIC and NCUA do not insure the deposit exposure; cash held at another System institution; and cash items in the process of collection. Also include any balances due from a foreign bank with a CRC of 0 or 1 or which is an OECD Member with no CRC, and balances due from a foreign central bank with a CRC of 2. Column I: Includes any balances due from a foreign bank with a CRC of 2, and balances due from a foreign central bank (sovereign exposure) with a CRC of 3. Column J: Includes all other amounts that are not reported in columns D through I and K. It also includes balances due from a foreign bank that is a non-OECD member with no CRC, a foreign bank with a CRC of 3, and a foreign central bank (sovereign exposure) with a CRC of 4 through 6. Column K: Includes any balances due from a country that has defaulted on its sovereign debt within the past five years regardless of its CRC rating or OECD affiliation.
2	**Federal funds sold and securities purchased under agreements to resell.**

2(a)	**Federal funds sold (in domestic offices).** Report in column A, the quarterly average amount of federal funds sold reported in Schedule RC-B Securities, item 5(a), excluding those federal funds that qualify as securitization exposures as defined in § 628.2 of the regulatory capital rule. The amount of those federal funds sold reported in Schedule RC-B Securities, item 5(a) that qualify as securitization exposures are to be reported in Schedule RC-R.7, line 4(c), column A. Risk weight federal funds sold according to the Country Risk Classification (CRC) methodology as follows: In column D--0% risk weight; column H--20% risk weight; column I--50% risk weight; column J--100% risk weight; column K--150% risk weight. Assign these exposures to risk-weight categories based on the CRC methodology described above in the General Instruction for RC-R.7. Include the portion of Schedule RC-B Securities, item 5(a) that is directly and unconditionally guaranteed by foreign central governments and exposures to foreign banks. Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average amount of federal funds sold reported in Schedule RC-B Securities, item 5(a), excluding those federal funds that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Column D: Include the portion of Schedule RC-B Securities, item 5(a), that is directly and unconditionally guaranteed by the U.S. Government and U.S. Government agencies. Also, include the portion of any exposure reported in Schedule RC-B Securities, item 5(a), that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: Include exposures to U.S. depository institution counterparties. Also, include the portion of any exposure reported in Schedule RC-B Securities, item 5(a), that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Column I: include any exposure reported in Schedule RC-B Securities, item 5(a), that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: include exposures to non-depository institution counterparties that lack qualifying collateral (refer to this regulatory capital rule for specific criteria). Also, include the amount of federal funds sold reported in Schedule RC-B Securities, item 5(a), that are not included in columns D through I and K. Also include the portion of any exposure reported in Schedule RC-B Securities, item 5(a), that is secured by collateral or has a guarantee that qualifies for the 100 percent risk weight.

Item No.	Caption and Instructions
	Column K: include any exposure from a country that has defaulted on its sovereign debt within the past five years regardless of its CRC rating or OECD affiliation.
2(b)	**Securities purchased under agreements to resell (otherwise known as agreements to resell or "reverse repos").** Report in columns A and C the quarterly average amount of securities purchased under agreements to resell (securities resale agreements, i.e., reverse repos) reported in Schedule RC-B Securities, item 5(g), excluding those securities resale agreements that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. The amount of those securities resale agreements reported in Schedule RC-B, item 5(g) that qualify as securitization exposures are to be reported in Schedule RC-R.7, line 4.c, column A. (Note: For purposes of risk weighting, distribute on-balance sheet securities purchased under agreements to resell reported in Schedule RC-B Securities, item, 5(g) within the risk-weight categories in Schedule RC-R.7, line 12, "Repo-styled transactions.") System institutions should report their securities purchased under agreements to resell in line 12 for them to calculate their exposure, and thus risk-weighted assets, based on master netting set agreements covering repo-style transactions. Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in columns A, the quarterly average amount of securities purchased under agreements to resell (securities resale agreements, i.e., reverse repos) reported in Schedule RC-B Securities, item 5(g), excluding those securities resale agreements that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rules. Column D: Note: For securities reported under RC-B Securities, item 5(g), refer to Schedule RC-R.7, line 4.c, column A for securities resale agreements that qualify as securitization exposures. Also, for the zero percent risk weighting category, refer to Schedule RC-R.7, line 2, column D for on balance sheet securities resale agreements. Column H: Note: For securities reported under RC-B Securities, item 5(g), refer to Schedule RC-R.7, line 4(c), column A for securities resale agreements that qualify as securitization exposures. Also, for the 20 percent risk weighting category, refer to Schedule RC-R.7, line 2, column H for on balance sheet securities resale agreements. Column J: Note: For securities reported under RC-B Securities, item 5(g), refer to Schedule RC-R.7, line 4(c), column A for securities resale agreements that qualify as securitization exposures. Also, for the 100 percent risk weighting category, refer to Schedule RC-R.7, line 2, column J for on balance sheet securities resale agreements.
3	**Securities (excluding securitization exposures).**
3(a)	**Securities (excluding securitization exposures) held-to-maturity (HTM).**

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	Report in column A, the quarterly average amount of HTM securities reported in Schedule RC-B Securities, column A, excluding those HTM securities that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. The amount of those HTM securities reported in Schedule RC-B Securities, that qualify as securitization exposures are to be reported in Schedule RC-R.7, line 4.a, column A. For a security classified as HTM, the exposure amount to be risk weighted by the System institution is the carrying value, as defined at § 628.2. The sum of Schedule RC-R.7, lines 3.a and 4.a, column A plus items 3.b and 4.b, column A, plus item 4.c, column A must equal Schedule RC, item 2, plus allowance amounts not deducted from the carrying value for HTM securities (reported at RC-B, column A, item 13). Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average amount of HTM securities reported in Schedule RC-B Securities, column A, excluding those HTM securities that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Column D: The zero percent risk weight applies to exposures to the U.S. Government, a U.S. Government agency, a Federal Reserve bank, and those exposures otherwise unconditionally guaranteed by the U.S. Government. Include exposures to or unconditionally guaranteed by the FDIC or the NCUA. Also, certain foreign government exposures and certain entities listed in § 628.32 of this rule may also qualify for the zero percent risk weight. Include the exposure amount of securities reported in Schedule RC-B Securities, column A, that do not qualify as securitization exposures that qualify for the zero percent risk weight. In column D, such securities may include portions of, but not limited to: 1) U.S. Treasury securities; 2) Securities Issued by U.S. Government agencies; 3) Residential mortgage pass-through securities guaranteed by GNMA; 4) Other RMBS issues or guaranteed by U.S. Government agencies, such as GNMA exposures; 5) CMBS issued or guaranteed by FNMA, FHLMC, or GNMA that represent GNMA securities; 6) CMBS issued or guaranteed by U.S. Government agencies that represent GNMA securities; and, 7) The portion of any exposure reported in Schedule RC-B Securities, column A, that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: The 20 percent risk weight applies to general obligations of U.S. states, municipalities, and U.S. public sector entities. It also applies to exposures to U.S. depository institutions and credit unions, exposures conditionally guaranteed by a U.S. Government agency, as well as exposures to Government-sponsored enterprises. Certain foreign government and foreign bank exposures may qualify as indicated in § 628.32 of this rule. Also, include the exposure amounts of securities reported in Schedule RC-B Securities, column A, that do not qualify as securitization exposure that

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	qualify for the 20 percent risk weight. In column H, such securities may include portions of, but not limited to: 1) Securities issued by U.S. Government agencies or Government-sponsored enterprises; 2) Securities issued by states and political subdivisions in the U.S. and it territories that represent general obligation securities; 3) Residential mortgage pass-through securities issued by FNMA and FHLMC; 4) Other RMBS issued or guaranteed by U.S. Government agencies or Government-sponsored enterprises (i.e., Farmer Mac); 5) CMBS issued or guaranteed by FNMA, FHLMC, or GNMA that represent FHLMC and FNMA securities; 6) CMBS issued or guaranteed by U.S. Government agencies or Government-sponsored enterprises (GSEs) that represent FHLMC or FNMA securities; 7) AMBS collateralized by agricultural mortgage loans issued by Farmer Mac.; 8) Any securities categorized as 'structured financial products' on Schedule RC-B Securities that are not securitization exposures and qualify for the 20 percent risk weight; and, 9) The portion of any exposure reported in Schedule RC-B Securities that is secured by or has a guarantee that qualifies for the 20 percent risk weight. Column I: The 50 percent risk weight includes the exposure amounts of securities reported in Schedule RC-B Securities, column A that do not qualify as securitization exposures that qualify for the 50 percent risk weight. In column I, such securities may include portions of but not limited to: 1) Securities issues by states and political subdivisions in the U.S. that represent revenue obligation securities; 2) Other residential mortgage pass-through securities that represent residential mortgage exposures that qualify for the 50 percent risk weight (pass-through securities that do not qualify for the 50 percent risk weight should be assigned to the 100 percent risk weight category); 3) Other RMBS collateralized by MBS issued or guaranteed by U.S. government agencies or GSEs (i.e., Farmer Mac - excluding portions subject to an FDIC loss-sharing agreement and interest-only securities) that represent residential mortgage exposures that qualify for 50 percent risk weight; 4) All other RMBS. Include only those MBSs that qualify for the 50 percent risk weight. Refer to § 628.32(g) of this rule. 5) The portion of any exposure reported in Schedule RC-B Securities that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Note: Do not include MBS portions that are tranched for credit risk purposes because those must be reported as securitization exposures in Schedule RC-R.7, item 4.a. Exclude interest only securities. Column J: The 100 percent risk weight includes the exposure amounts of securities reported in Schedule RC-B Securities, column A that do not qualify as securitization exposures that qualify for the 100 percent risk weight. In column J, such securities may include but are not limited to: 1) Other residential mortgage pass-through securities that represent residential mortgage exposures that qualify for the 100 percent risk weight; 2) Other RMBS collateralized by MBS issued or guaranteed by U.S. government agencies or GSEs (i.e., Farmer Mac - excluding portions subject to an FDIC loss-sharing agreement and interest-only securities)

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	that represent residential mortgage exposures that qualify for 100 percent risk weight; 3) All other RMBS. Include only those MBSs that qualify for the 100 percent risk weight. Refer to § 628.32(g) of this rule. Note: Do not include MBS portions that are tranched for credit risk...those must be reported as securitization exposures in Schedule RC-R.7, item 4.a.; 4) Other commercial mortgage pass-through securities; 5) All other CMBS; 6) ABS; 7) Any securities categorized as 'structured financial products' on Schedule RC-B Securities that are not securitization exposures and qualify for the 100 percent risk weight; 8) The portion of any exposure reported in Schedule RC-B Securities that is secured by collateral or has a guarantee that qualifies for the 100 percent risk weight; and, 9) All other HTM securities that do not qualify as securitization exposures reported in Schedule RC-B Securities that are not included in columns D through I and K. Do not include in the 100 percent risk weight exposures such as equity investments in non-System institutions that are characterized as non-significant investments, Rural Business Investment Companies (RBICs) authorized and approved under 7 U.S.C. 2009 cc et seq., SEC. 384J, unincorporated business entities (UBEs) approved under § 611.1155 preferred stock, and other equity investments FCA approves under § 615.5140(e). These investments should be reported in RC-R.7, Item 7 – "Other Assets," consistent with reporting for schedule RC item 10. Column K: The 150 percent risk weight includes the exposure amounts of securities reported in Schedule RC-B Securities that are past due 90 days or more or in nonaccrual status (except sovereign exposures), excluding those portions that are covered by qualifying financial collateral or eligible guarantees as described in § 628.37 and § 628.36. In column K, also include the exposure amounts of those securities reported in Schedule RC-B Securities that are directly and unconditionally guaranteed by foreign central governments or are exposures to foreign banks that do not qualify as securitization exposures. Such securities may include, but are not limited to: 1) Other residential mortgage pass-through securities; 2) All other RMBS; 3) Other commercial mortgage pass-through securities; 4) All other MBS; 5) ABS; 6) Any securities categorized as 'structured financial products' on Schedule RC-B Securities that are not securitization exposures and do not qualify for the 20, 50 or 100 percent risk weights; and, 6) Other foreign debt securities. Column L: The 600 percent risk weight includes equity exposures in an investment firm that would meet the definition of a traditional securitization in § 628.2 were it not for the application of paragraph (8) of that definition and has greater than immaterial leverage.
3(b)	**Securities (excluding securitization exposures): available-for-sale (AFS).** Report in column A, the quarterly average carrying value, as defined at § 628.2, of AFS securities reported in Schedule RC-B, Column D, Item 13, excluding those AFS securities that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. The carrying value of those AFS securities reported in Schedule RC-B line 13 Column D, that

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	qualify as securitization exposures must be reported in Schedule RC-R.7, line 4.b, column A. For a security classified as AFS, the exposure amount to be risk weighted by the institution is: 1) For a debt security - the carrying value as defined at § 628.2; and 2) For equities and preferred stock classified as an equity under GAAP - the carrying value less any net realized gains that are reflected in such carry value but are excluded from the bank's regulatory capital components. The sum of Schedule RC-R.7, lines 3.b and 4.b, column A, plus items 3.a and 4.a, column A, plus item 4.c, column A must equal Schedule RC – Balance Sheet, item 2 plus allowance amounts not deducted from the carrying value for HTM securities (reported at RC-B, column A, item 13). Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average carrying value of AFS securities reported in Schedule RC – Balance Sheet, item 2, excluding those AFS securities that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Column D: The zero percent risk weight applies to exposures to the U.S. Government, a U.S. Government agency, or a Federal Reserve Bank, and those exposures otherwise unconditionally guaranteed by the U.S. Government. Include exposures to or unconditionally guaranteed by the FDIC or the NCUA. Certain foreign government exposures and certain entities listed in § 628.32 of the regulatory capital rules may also qualify for the zero percent risk weight. Include the exposure amount of securities reported in Schedule RC-B Securities, that do not qualify as securitization exposures that qualify for the zero percent risk weight. Such securities may include portions of, but may not be limited to: 1) U.S. Treasury securities; 2) Securities issued by U.S. Government Agencies; 3) Certain supranational entities and multilateral development banks such as the Bank for International Settlements (BIS), the European Central Bank, the European Commission, or the International Monetary Fund; 4) Residential mortgage pass-through securities guaranteed by GNMA; 5) Portions of other RMBS issued or guaranteed by U.S. Government agencies, such as GNMA exposures; 6) Certain portions of CMBS issued or guaranteed by FNMA, FHLMC, or GNMA that represent GNMA securities; and 7) Certain portions of CMBS issued or guaranteed by U.S. Government agencies. Also, the portion of any exposure reported in Schedule RC – Balance Sheet, item 2, that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: The 20 percent risk weight applies to general obligations of U.S. states, municipalities, and U.S. public sector entities. It also applies to U.S. depository institutions and credit unions, exposures conditionally guaranteed by the U.S. Government and U.S. Government agencies, as well as exposures to GSEs. Certain foreign government and foreign bank exposures may qualify for the 20 percent risk weight as indicated in § 628.32 of this rule.

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	Include the exposure amounts of those securities reported in Schedule RC - Balance Sheet, item 2, that do not qualify as securitization exposures that qualify for the 20 percent risk weight. Any such exposures must exclude interest-only securities; however, these exposures may include portions of, but may not be limited to: 1) The portion of a security exposure that is conditionally guaranteed by the U.S. Government, the Federal Reserve, or a U.S. Government agency; 2) General obligation exposures issued by states and political subdivisions organized under the laws of the U.S. or any state or political subdivision thereof; 3) Residential mortgage pass-through securities issued by FNMA and FHLMC; 4) Other RMBS issued or guaranteed by U.S. Government agencies; 5) Those CMBS issued or guaranteed by U.S. Government agencies or GSEs that represent FNMA and FHLMC; 6) Other RMBS collateralized by MBS issued or guaranteed by U.S. Government agencies or GSEs; and 7) Any securities categorized as structured financial products on Schedule RC – Balance Sheet that are not securitization exposures and qualify for the 20 percent risk weight. Note: Many of the structured financial products would be considered securitization exposures and must be reported in line 4.b of this schedule, for purposes of calculating risk-weighted assets. Column I: The 50 percent risk weight includes the exposure amounts of those securities reported in Schedule RC-B Securities that do not qualify as securitization exposures that qualify for the 50 percent risk weight. Such securities may include portions of, but may not be limited to: 1) Security exposures issued by states and political subdivisions in the U.S. that represent revenue obligation securities; 2) Other residential mortgage pass-through securities that represent residential mortgage exposures that qualify for the 50 percent risk weight; 3) Other RMBS collateralized by MBS issued or guaranteed by U.S. Government agencies or GSEs (excluding portions subject to an FDIC loss-sharing agreement and interest-only securities) that represent residual mortgage exposures that qualify for the 50 percent risk weight; and 4) All other RMBS. Include only those MBS that qualify for the 50 percent risk weight. Refer to § 628.32(g) of this rule. Note: Do not include MBS that are tranched for credit risk; such exposures should be reported as securitization exposures in line 4.b of this schedule. Do not include interest-only securities. Also include the portion of any exposure reported in Schedule RC – Balance Sheet, item 2, that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: The 100 percent risk weight includes the exposure amounts of securities reported in Schedule RC-B Securities, that do not qualify as securitization exposures that qualify for the 100 percent risk weight. Such exposures may include portions of, but may not be limited to: 1) Other residential mortgage pass-through securities that represent residential mortgage exposures that qualify for the 100 percent risk weight; 2) Other RMBS collateralized by MBS issued or guaranteed by U.S. Government agencies or GSEs (excluding portions subject to an FDIC loss-sharing agreement) that represent residential mortgage exposures that qualify for the 100 percent risk weight; 3) All other RMBS. Include

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	only MBS that qualify for the 100 percent risk weight. Also, include first-lien residential mortgage exposures that do not meet the criteria in paragraph (g)(1) of § 628.32. Refer to § 628.32(g) of this rule. Note: Do not include MBS portions that are tranched for credit risk; those should be reported as securitization exposures in line 4.b of this schedule; 3) Other commercial pass-through securities; 4) All other CMBS; 5) ABS; 6) Any securities reported as structured financial products in Schedule RC-B Securities that are not securitization exposures and qualify for the 100 percent risk weight. Note: Many of the structured financial structured products would be considered securitization exposures and must be reported in line 4.b of this schedule for purposes of calculating risk-weighted assets; 7) The portion of any exposure reported in Schedule RC – Balance Sheet, item 2, that is secured by collateral or has a guarantee that qualifies for the 100 percent risk weight; 8) Publicly traded AFS equity exposures and AFS equity exposures to investment funds (including mutual funds), to the extent that the aggregate carrying value of the bank's equity exposures does not exceed 10 percent of total capital (viewed as "non-significance"). Also include all other AFS securities that do not qualify as securitization exposures reported in Schedule RC – Balance Sheet, item 2, that are not included in columns D through I, K, or L. Column K: The 150 percent risk weight includes the exposure amounts of securities reported in Schedule RC-B Securities, that are 90 days or more past due or in nonaccrual status (except sovereign exposures), excluding those portions that are covered by qualifying collateral or eligible guarantees as described in § 628.37 and § 628.36, respectively, of this rule. Column L: The 600 percent risk weight applies to AFS equity exposures to investment firms with readily determinable fair values reported in Schedule RC-B Securities, Item 13. Include the fair value of these equity securities (as reported in RC-B Securities, Line 13) if they have a net unrealized loss. If these securities have a net unrealized gain, include their adjusted carrying value plus the portion of the unrealized gain (up to 45 percent) included in tier 2 capital.
4	**On-balance sheet securitization exposures.**
4(a)	**On balance sheet securitizations: HTM securities.** Report in column A, the quarterly average amount of HTM securities reported in Schedule RC – Balance Sheet, item 2, that qualify as securitization exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule. Refer to the instructions for Schedule RC-R.7, line 3.a for a summary of the reporting locations of HTM securities that are non-securitization exposures. For a security classified as HTM, the exposure amount to be risk-weighted by the bank is the carrying value of the security reported on the balance sheet of the System institution and in column A. If an HTM securitization exposure will be risk weighted using either the SSFA or the Gross-Up Approach, include as part of the exposure amount to be risk-weighted in this item any accrued interest receivable on the HTM security that is reported in Schedule RC—Balance Sheet, item 10, "Other assets," and included in Schedule RC-R.7, line 4(c), columns A and B. Do not report this accrued interest receivable

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	in column A or B of this item. (Note: Any accrued interest receivable for these securities should be tied to and reported with the underlying balance sheet asset that it is associated with). Also, note that this category of securitization exposures does not include collateralized mortgage obligations (CMOs), real estate mortgage investment conduits (REMICs) or any stripped mortgage-backed securities (such as IOs, POs and similar instruments) that are issued or guaranteed by U.S. Government agencies or GSEs. These assets should all be reported on Schedule RC-R.7, line 3(a) under the appropriate risk weight categories. However, these on-balance-sheet securitizations could potentially include private label CMOs or stripped MBSs that are not issued or guaranteed by U.S. Government agencies or GSEs. Column A: Report in column A, the quarterly average amount of HTM securities reported in Schedule RC – Balance Sheet, item 2, that qualify as securitization exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule. Column H: This is the minimum risk weight that a System institution can ever assign to a securitization exposure as described in the limitation in § 628.43(f) of this rule - regardless of whether it is applying the SSFA or Gross-Up approach in calculating the risk weight. Column O: In column O, report the exposure amount of those HTM securitization exposures that are assigned a 1,250 percent risk weight (i.e., those HTM securitization exposures for which the risk-weighted asset amount is not calculated using the SSFA or the Gross-Up Approach). The 1,250 percent risk weight is the default risk weight for on balance sheet securitization exposures (including synthetic securitizations) if the SSFA or the Gross-Up approach is not utilized. Column P: In column P, report the risk-weighted asset amount (not the exposure amount) of those HTM securitization exposures for which the risk-weighted asset amount is calculated using the SSFA, as described in the General Instructions for Schedule RC-R.7, and in § 628.41 to § 628.45 of this rule. Column Q: In column Q, report the risk-weighted asset amount (not the exposure amount) of HTM securitization exposures for which the risk-weighted asset amount is calculated using the Gross-Up Approach, as described in the General Instructions for Schedule RC-R.7, and in § 628.41 to § 628.45 of this rule. Once an approach (SSFA or Gross-Up) is adopted or utilized, it must be consistently applied from one period to the next. System institutions cannot randomly or arbitrarily change an approach once adopted.
4(b)	**On-balance sheet securitizations: AFS securities.** Report in column A, the quarterly average amount of AFS securities reported in Schedule RC – Balance Sheet, item 2, that qualify as securitization exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule. Refer to the instructions for

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	Schedule RC-R.7, line 3.b for a summary of the reporting locations of AFS securities that are non-securitization exposures. For a security classified as AFS the exposure amount of the AFS securitization exposure to be risk-weighted by the bank is the carrying value of the debt security reported on the balance sheet of the System institution and in column A. If an AFS securitization exposure will be risk weighted using either the SSFA or the Gross-Up Approach, include as part of the exposure amount to be risk-weighted in this item any accrued interest receivable on the AFS debt security that is reported in Schedule RC-R.7, line 4(c) columns A and B. Do not report this accrued interest receivable in column A or B of this item. (Note: Any accrued interest receivable for these securities should be tied to and reported with the underlying balance sheet asset that it is associates with). Also, note that this category of securitization exposures does not include collateralized mortgage obligations (CMOs), real estate mortgage investment conduits (REMICs) or any stripped mortgage-backed securities (such as IOs, POs and similar instruments) that are issued or guaranteed by U.S. Government agencies or GSEs. These assets should all be reported on Schedule RC-R.7, line 3.b, under the appropriate risk weight categories. However, these on-balance-sheet securitizations could potentially include private label CMOs or stripped MBSs that are not issued or guaranteed by U.S. Government agencies or GSEs. Column A: Report in column A, the quarterly average amount of AFS securities reported in Schedule RC – Balance Sheet, item 2, that qualify as securitization exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule. Column H: This is the minimum risk weight that a System institution can ever assign to a securitization exposure as described in the limitation in § 628.43(f) of this rule - regardless of whether it is applying the SSFA or Gross-Up approach in calculating the risk weight. Column O: In column O, report the exposure amount of those AFS securitization exposures (including synthetic securitizations) that are assigned a 1,250 percent risk weight (i.e., those AFS securitization exposures for which the risk-weighted asset amount is not calculated using the SSFA or the Gross-Up Approach). Column P: In column P, report the risk-weighted asset amount (not the exposure amount) of those AFS securitization exposures for which the risk-weighted asset amount is calculated using the SSFA, as described in the General Instructions for Schedule RC-R.7, and in §§ 628.41 to 628.45 of this rule. Column Q: In column Q, report the risk-weighted asset amount (not the exposure amount) of AFS/HTM securitization exposures for which the risk-weighted asset amount is calculated using the Gross-Up Approach, as described in the General Instructions for Schedule RC-R.7, and in §§ 628.41 to 628.45 of this rule.

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4(c)	**On-balance sheet securitizations: All other on-balance sheet securitizations.** Report in column A, the quarterly average amount of all on-balance sheet assets included in Schedule RC – Balance Sheet that qualify as securitizations exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule and are not reported in Schedule RC-R.7, lines 4.a or 4.b. Include in column A the amounted reported in Schedule RC – Balance Sheet, item 10, "Other assets," for accrued interest receivable on on-balance sheet securitization exposures, regardless of where the securitization exposures are reported on the balance sheet in Schedule RC. Refer to the instructions for Schedule RC-R.7, lines 1, 2, 5, 6 and 7 for a summary of the reporting locations of other on-balance sheet securitization exposures. For other on-balance sheet securitization exposures, the exposure amount to be risk weighted by the bank is the exposure's carrying value. (Note: Any accrued interest receivable for these securities should be tied to and reported with the underlying balance sheet asset that it is associated with). Column A: Report in column A, the quarterly average amount of all on-balance sheet assets included in Schedule RC – Balance Sheet that qualify as securitizations exposures (including synthetic securitizations) as defined in § 628.2 of this regulatory capital rule and are not reported in Schedule RC-R.7, lines 4.a or 4.b. Column H: This is the minimum risk weight that a System institution can ever assign to a securitization exposure as described in the limitation in § 628.43(f) of this rule - regardless of whether it is applying the SSFA or Gross-Up approach in calculating the risk weight. Column O: In column O, report the exposure amount of those other on-balance sheet securitization exposures that are assigned a 1,250 percent risk weight (i.e., those other on-balance-sheet securitization exposures for which the risk-weighted asset amount is not calculated using the SSFA or Gross-Up Approach), including any interest receivable reported in column A that has been accrued on these other on-balance sheet securitization exposures. Also include in column O any accrued interest receivable reported in column A that has been accrued on securitization exposures reported as HTM or AFS securities in Schedule RC-R.7, lines 4.a and 4.b, respectively, that are assigned a 1,250 percent risk weight. Column P: In column P, report the risk-weighted asset amount (not the exposure amount) of those other securitization exposures for which the risk-weighted asset amount is calculated using the SSFA, as described in the General Instructions for Schedule RC-R.7, and in §§ 628.41 to 628.45 of this rule. Column Q: In column Q, report the risk-weighted asset amount (not the exposure amount) of other securitization exposures for which the risk-weighted asset amount is calculated using the Gross-Up Approach, as described in the General Instructions for Schedule RC-R.7, and in §§ 628.41 to 628.45 of this rule.
5	**Loans and leases, net of unearned income.**

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5(a)	**Loans and leases, net of unearned income: Retail exposures.** Report in column A, the quarterly average carrying value of all retail loans and lease exposures, net of unearned income, reported in Schedule RC.1 Memoranda, item 1(a)(xii), that are not reported in Schedule RC-R.7, line 5(b). Exclude those loans and leases, net of unearned income that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. The carrying value of those loans and leases, net of unearned income, that qualify as securitization exposures must be reported in line 4(c) of this schedule. Also exclude all loans and leases to Other Financing Institutions (OFIs) from this category. Such loans and leases should be reported under "Wholesale exposures" category in line 5(b) of this schedule. Include in this line category all residential mortgage exposures, HVCRE exposures (if applicable) and all production agricultural exposures. Note: This line category includes loans with guarantees (such as those with U.S. Government agencies or GSEs), that may serve as credit risk mitigants, but does not include loans with any credit derivatives or credit default swaps. For example, these loan exposures would not include assets such as Long term standby purchase commitments (LTSPC) with Farmer Mac)). Such exposures should be reported in the on-balance sheet securitization category of this schedule (line items 4(a) through 4(c) above). Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average carrying value of all retail loans and lease exposures, net of unearned income, reported in Schedule RC.1 Memoranda, item 1(a)(xii), that are not reported in Schedule RC-R.7, line 5(b). Column D: In column D, include the portion of any exposure, net of unearned income, that meets the definition of residential mortgage exposure reported in Schedule RC.1, Memoranda, item 1(a)(vi), that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Also include the portion of loans and leases, net of unearned income, not reported in Schedule RC-R.7, line 5(b) below, that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: In column H, include the carrying value of the guaranteed portion of Farm Service Agency mortgage loans, net of unearned income, included in Schedule RC.1(a)(vi). Include the portion of any exposure, net of unearned income, that meets the definition of residential mortgage exposure or reported in Schedule RC.1(a)(vi), that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Also, include the portion of any loans and leases, net of unearned income, that is not included in Schedule RC-R.7, line 5(b) below, that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight (i.e., loans or portions of loans that are guaranteed by the SBA or USDA which qualify for the 20 percent risk weight).

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	LTSPC agreements offered by Farmer Mac and Fannie Mae meet the definition of eligible guarantees and eligible guarantors under § 628.2. Generally, the loan exposures with a Fannie Mae or a Farmer Mac LTSPC receive a risk weight pursuant to §§ 628.36(a) and (c), and § 628.32 (20 percent). Also, include in column H any accrued interest receivable reported in column A for that portion of loans attributed to the guaranteed exposure reported as loans and leases, net of unearned income in Schedule RC-R.7, lines 5a and 6, respectively, that are assigned a 20 percent risk weight. However, this does not hold true where Famer Mac offers a LTSPC where the institution assumes a "first loss" exposure piece. (See Column O). Column I: In column I, include the carrying value of loans and leases, net of unearned income, secured by 1-4 family residential included in Schedule RC.1, item 1(a)(i)(A) or 1(a)(vi) (only include qualifying first mortgage loans) and qualifying loans in Schedule RC.1, item 1(a) that meet the definition of a residential mortgage exposure and qualify for 50 percent risk weight under § 628.32(g) of this rule. Loans modified or restructured solely pursuant to the U.S. Treasury's Home Affordable Mortgage Program fall within the 50 percent risk weight. For 1-4 family residential mortgages, the loans must be prudently underwritten, be fully secured by first liens on 1-4 family residential properties, not 90 days or more past due or in nonaccrual status and have not been modified or restructured. Such loans must be secured by property that is either owner-occupied or rented. Also include the portion of any loans or leases, net of unearned income, that are not reported in Schedule RC-R.7, line 5(b) below, that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: In column J, include the carrying value of loans and leases, net of unearned income, that are residential mortgage exposures reported in Schedule RC.1, item 1(a)(vi), that are not included in the 0 percent, 20 percent, 50 percent (and excluding loans that are assigned a risk weight higher than 100 percent, such as HVCRE or nonaccrual loans). The 100 percent risk weight includes first-lien mortgage exposures that do not meet the criteria in § 628.32(g)(1) of this rule, and to junior-lien residential mortgage exposures. Also include the portion of any loans or leases, net of unearned income, identified as corporate exposures that are not reported in Schedule RC-R.7, line 5(b) below, that is secured by collateral or has a guarantee that qualifies for the 100 percent risk weight. Such corporate exposure loans and leases include borrower loans such as agricultural loans and consumer loans, net of unearned income, irrespective of the corporate form of the borrower. Column K: In column K, except for sovereign exposures or residential mortgage exposures, include in the 150 percent risk weight, loan and lease exposures, net of unearned income, that are 90 days or more past due or in nonaccrual status. System institutions must assign a 150 percent risk weight to the portion of the exposure that is not guaranteed or that is not secured by financial collateral. Refer to § 628.32(k) for other provisions regarding exposures that are 90 days or more past due or in nonaccrual status.

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	Column O: In column O, report those Famer Mac LTSPCs with a "first loss" exposure, which under § 628.36(a)(3) would be treated as a tranching of credit risk (reflecting at least two different levels of seniority) and, therefore, considered as securitization exposures in §§ 628.41 through 628.45. If the institution cannot assign a risk weight under the SSFA (§ 628.42) or the Gross-up approach (§ 628.43), then it must assign a 1,250 percent risk weight under § 628.44. Also, include in column O any accrued interest receivable reported in column A for that portion of loans attributed to the "first loss" exposure reported as loans and leases, net of unearned income in Schedule RC-R.7, lines 5a and 6, respectively, that are assigned a 1,250 percent risk weight.
5(b)	**Loans and leases, net of unearned income: Wholesale exposures (bank only).** Report in column A the quarterly average carrying value of a System institution's exposure from a direct loan, net of unearned income, that is similar to the quarter-end balance reported in Schedule RC.1 Memoranda, item 1(a)(ix) to an association. Also report in column A, the quarterly average carrying value of a System's exposure from a loan, net of unearned income to an OFI (with which the bank has a lending relationship) or a service corporation (as established in Section 4.25 of the Farm Credit Act of 1971, as amended) as reported in Schedule RC.1 Memoranda, items 1(a)(x), and 1(a)(xi), respectively. Exclude those loans and leases that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Also, exclude a System bank's equity investment in an association which would be deducted from regulatory capital using the corresponding deduction approach (CDA) under § 628.22(c)(2) of this regulatory capital rule. Include direct loan exposures that are 90 days or more past due or in a nonaccrual status. Also, include service corporation and OFI exposures that are 90 days or more past due or in nonaccrual status. Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average carrying value of a System institution's exposure from a direct loan, net of unearned income, that is similar to the quarter end balance reported in Schedule RC.1 Memoranda, items 1(a)(ix) and 1(a)(x), respectively, to an association or an OFI. Column D: In column D, include the portion of wholesale or direct loans and leases, net of unearned income, not reported in Schedule RC-R.7, line 5(a) above, to System associations, service corporations, or OFIs that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: In column H, include the portion of any wholesale or direct loans and lease exposures, net of unearned income, to System associations, service corporations and OFIs that is not included in Schedule RC-R.7, line 5(a) above, that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. For example, this

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	column would include loans to OFIs that satisfy the requirements for a 20 percent risk weight pursuant to § 628.32(d)(1) of this rule. Column I: In column I, include the portion of any wholesale or direct loans or lease exposures, net of unearned income, to System associations, service corporation or OFIs that is not reported in Schedule RC-R.7, line 5(a) above, that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. For example, this would include loans to OFIs that satisfy the requirements for a 50 percent risk weight pursuant to § 628.32(f)(2) of this rule. Column J: In column J, include the carrying value of wholesale or direct loans and lease exposures, net of unearned income, to System associations, service corporations and OFIs that are not included in the 0 percent, 20 percent, 50 percent (and excluding loans that are assigned a risk weight higher than 100 percent). For example, this would include loan to OFIs that do not satisfy the requirements for a 20 percent risk weight pursuant to § 628.32(d)(1), or a 50 percent risk weight pursuant to § 628.32(f)(2) of this rule. Column K: In column K, include the carrying value of wholesale or direct loans and lease exposures, net of unearned income, to System associations, service corporations and OFIs, that are 90 days or more past due or in nonaccrual status, excluding those portions that are covered by qualifying collateral or eligible guarantees as described in § 628.37 and § 628.36, respectively, of this rule. Refer to § 628.32(k) for other provisions regarding exposures that are 90 days or more past due or in nonaccrual status.
6	**Loans and leases, held-for-sale (HFS).** Report in column A, the quarterly average carrying value of loans and leases held for sale (HFS) reported in Schedule RC – Balance Sheet, item 6, excluding those HFS loans and leases that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. This category includes mortgage exposures as well as all other retail and wholesale exposures (if any). The carrying value of those HFS loans and leases reported in Schedule RC – Balance Sheet, item 6, that qualify as securitization exposures must be reported in Schedule RC-R.7, line 4(c), column A. The sum of the amounts reported in column A for items 6(a) and 6(b) of Schedule RC-R.7, plus the carrying value of HFS loans and leases that qualify as securitization exposures and are reported in Schedule RC-R.7, line 4(c), column A, must equal Schedule RC – Balance Sheet, item 6. Note: This line category includes loans with guarantees (such as those with U.S. Government agencies or GSEs), that may serve as credit risk mitigants, but does not include loans with any credit derivatives or credit default swaps. Note: For these exposures, the total exposure amount should include any accrued interest that is related to or associated with the asset. Column A: Report in column A, the quarterly average carrying value of loans and leases held for sale (HFS) reported in Schedule RC – Balance

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	Sheet, item 6, excluding those HFS loans and leases that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Column D: In column D, include the portion of any exposure that meets the definition of residential mortgage exposure or reported in Schedule RC.1 Memoranda, item 1.a.vi., that is secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Also include the portion of any loans and leases HFS that is secured by collateral or has a guaranteed that qualifies for the zero percent risk weight. Column H: In column H, include the carrying value of the guaranteed portion of FSA, the Federal Housing Administration and the Veterans Affairs mortgage loans that are HFS which are included in Schedule RC.1 Memoranda, item 1(a)(vi). Include the portion of any exposure that meets the definition of residential mortgage exposure or reported in Schedule RC.1 Memoranda, item 1.a.vi, that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Also, include the portion of any loans and leases HFS that are not reported in Schedule RC-R.7, line 4(b) below, that is secured by collateral or has a guarantee that qualifies for the 20 percent risk weight (i.e., loans or portions of loans that are guaranteed by the SBA or USDA which qualify for the 20 percent risk weight). LTSPC agreements offered by Farmer Mac and Fannie Mae meet the definition of eligible guarantees and eligible guarantors under § 628.2. Generally, the loan exposures with a Fannie Mae or a Farmer Mac LTSPC receive a risk weight pursuant to §§ 628.36(a) and (c), and 628.32 (20 percent). Also, include in column H any accrued interest receivable reported in column A for that portion of loans attributed to the guaranteed exposure reported as loans and leases, net of unearned income in Schedule RC-R.7, lines 5a and 6, respectively, that are assigned a 20 percent risk weight. However, this does not hold true where Famer Mac offers a LTSPC where the institution assumes the "first loss" exposure piece. (See Column O). Column I: In column I, include the carrying value of HFS loans secured by 1-4 family residential included in Schedule RC.1, item 1(a)(i)(A) or 1(a)(vi) (only include qualifying first mortgage loans) and qualifying loans in Schedule RC.1, item 1(a) that meet the definition of a residential mortgage exposure and qualify for 50 percent risk weight under § 628.32(g) of this rule. Loans modified or restructured solely pursuant to the U.S. Treasury's Home Affordable Mortgage Program fall within the 50 percent risk weight. For 1-4 family residential mortgages, the loans must be prudently underwritten, be fully secured by first liens on 1-4 family residential properties, not 90 days or more past due or in nonaccrual status and have not been modified or restructured. Such loans must be secured by property that is either owner-occupied or rented. Also include loans that meet the definition of statutory multifamily mortgage in § 628.2 of this rule. Also include the portion of any loans or leases that are not reported in Schedule RC-R.7, line 4(b) below, that is secured by collateral or has a guarantee that qualifies for the 50 percent risk weight.

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	Column J: In column J, include the carrying value of HFS loans that are residential mortgage exposures reported in Schedule RC – Balance Sheet, item 6, that are not included in columns D through I or K. Also include the portion of any exposure that meets the definition of residential mortgage exposure reported in Schedule RC – Balance Sheet, item 6, that is secured by collateral or has a guarantee that qualifies for the 100 percent risk weight. Column K: In column K, include the carrying value of HFS loans secured by residential mortgage, reported in Schedule RC – Balance Sheet, item 6, that are 90 days or more past due or in nonaccrual status, or have been otherwise modified or restructured. Also include the portion of any exposure that meets the definition of residential mortgage exposure reported in Schedule RC – Balance Sheet, item 6, that is 90 days or more past due or in nonaccrual status. Column O: In column O, report those Famer Mac LTSPCs with a "first loss" exposure, which under § 628.36(a)(3) would be treated as a tranching of credit risk (reflecting at least two different levels of seniority) and, therefore, considered as securitization exposures according to §§ 628.41 through 628.45. If the institution cannot assign a risk weight under the SSFA (§ 628.42) or the Gross-up approach (§ 628.43), then it must assign a 1,250 percent risk weight under § 628.44. Also, include in column O any accrued interest receivable reported in column A that has been accrued on securitization exposures reported as loans and leases, net of unearned income in Schedule RC-R.7, lines 5(a) and 6, respectively, that are assigned a 1,250 percent risk weight.
7	**All other assets (includes premises, fixed assets, OPO, and other assets).** Report in column A, the sum of the quarterly average amounts reported in Schedule RC – Balance Sheet, item 8, "Other property owned"; item 9, "Premises and other fixed assets net of depreciation"; and item 10, "Other assets," excluding those assets reported in Schedule RC – Balance Sheet, items 8 through 10 that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. The amount of those assets reported in Schedule RC – Balance Sheet, items 8 through 10 that qualify as securitization exposures (as well as the amount reported in Schedule RC – Balance Sheet, item 5.g, for accrued interest receivable on on-balance sheet securitization exposures, regardless of where the securitization exposures are reported on the balance sheet in Schedule RC - Balance Sheet) must be reported in Schedule RC-R.7, line 4.c, column A. The sum of line 7, columns B through Q, must equal line 7, column A. Note: Schedule RC, item 10 - "Other assets" - also includes exposures such as equity investments which have no determinable fair value; thus, they are valued using either the equity or cost method. For regulatory capital purposes, these equity investments are characterized as non-significant investments in non-System institutions. Also, these equity exposures include: RBICs, UBEs (including AgDirect, LLC) that are not

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	fully consolidated on an institution's balance sheet, and the Farm Credit System Association Captive Insurance Company (Insurance Captive). Column A: Report in column A, the sum of the quarterly average amounts reported in Schedule RC – Balance Sheet, item 8, "Other property owned"; item 9, "Premises and other fixed assets net of depreciation"; and item 10, "Other assets," excluding those assets reported in Schedule RC – Balance Sheet, items 8 through 10 that qualify as securitization exposures as defined in § 628.2 of this regulatory capital rule. Column D: In column D, include: Accrued interest receivable on assets included in the zero percent risk weight category; assets such as gold bullion held in a depository institution's vault on an allocated basis (to the extent the gold bullion assets are offset by gold bullion liabilities), gold bullion held in the offices of a System institution, exposures that arise from the settlement of cash transactions (such as equities, fixed income, spot foreign exchange, etc.) with a central counterparty where there is no assumption of ongoing central counterparty credit risk after trade settlement. Refer to § 628.32(l) of this rule for further information on assets in this risk weight category. Column H: In column H, include accounts receivable from other System institutions. *Exclude* patronage and dividend accrued receivables deducted from regulatory capital per § 628.22(b). Column J: In this 100 percent risk weight (column J), include: Deferred tax assets (DTAs); mortgage servicing assets (MSAs); all assets (including intangible assets) that are not specifically assigned a different risk weight under § 628.32, and that are not deducted from tier 1 or tier 2 capital under § 628.22 of this rule. For example, items such as fixed assets, premises, and other property owned, certain non-significant equity investments in non-System institutions, etc., would fall within this risk weight category. Exclude those assets reported in Schedule RC – Balance Sheet, items 7 through 10, that qualify as securitization exposures as defined in § 628.2 of this rule.
8	**Total On-Balance Sheet Exposures.** For columns A through O, report the sum of items 1 through 7. The sum of columns B through O must equal column A.
9	**Off-balance sheet (OBS) exposures (including securitizations): Financial standby letters of credit.** In this regulatory capital rule, financial standby letters of credit are subjected to a 100 percent credit conversion factor (CCF). For financial standby letters of credit, including those that meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule and are credit enhancements for assets, report in column A the quarterly averages for: 1) The amount of outstanding and unused of those letters of credit for which this amount is less than the effective risk-based capital requirement for the assets that are credit-enhanced by the letter of credit multiplied by 12.5; and, 2) The full amount of the assets that are credit-enhanced by those letters of credit that are not multiplied by 12.5. A financial standby letter of credit irrevocably obligates the bank

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	to pay a third-party beneficiary when a customer (the account party) fails to repay an outstanding loan or debt instrument. Note: For financial standby letters of credit exposures that must be risk weighted according to the CRC methodology, refer to Table 1 under § 628.32(a) of this rule. For financial standby letters of credit exposures to foreign banks, refer to Table 2 under § 628.32(d) of this rule. Column A: In column A, report in column A, the quarterly averages for: 1) The amount of outstanding and unused of those letters of credit for which this amount is less than the effective risk-based capital requirement for the assets that are credit-enhanced by the letter of credit multiplied by 12.5; and, 2) The full amount of the assets that are credit-enhanced by those letters of credit that are not multiplied by 12.5. Column D: In column D, include the credit equivalent amount of the portion of financial standby letters of credit as described in the instructions for line 9 of Schedule RC-R.7, that are secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: In column H, include the credit equivalent amount of the portion of financial standby letters of credit, as described in the instructions for line 9 of Schedule RC-R.7, that has been conveyed to U.S. depository institutions. Also include the credit equivalent amount of the portion of financial standby letters of credit that are secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Column I: In column I, include the credit equivalent amount of the portion of financial standby letters of credit, as described in the instructions for line 9 of Schedule RC-R.7, that are secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also include the credit equivalent amount of the portion of financial standby letters of credit, as described in the instructions for line 9 of Schedule RC-R.7, that are secured by collateral or has a guarantee that qualifies for the 100 percent risk weight. Column K: In column K, refer to the CRC methodology in Table 1 under § 628.32(a) of this rule.
10	**OBS exposures (including securitizations): Performance standby letters of credit and transaction-related contingent items.** In this regulatory capital rule, performance standby letters of credit are subjected to a 50 percent CCF. Report in column A, the quarterly average of transaction-related contingent items, which includes the face amount of performance standby letters of credit and any other transaction-related contingent items that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. A performance standby letter of credit irrevocably obligates the bank to pay a third-party beneficiary when a customer (the account party) fails to perform some contractual non-financial obligation.

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	Column A: Report in column A, the quarterly average of transaction-related contingent items, which includes the face amount of performance standby letters of credit and any other transaction-related contingent items that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. Column D: In column D, include the credit equivalent amount of the portion of performance standby letters of credit and transaction-related contingent items (as described in line 10 of this schedule) that are secured by collateral or has a guarantee that qualifies for the zero percent risk weight. Column H: In column H, include the credit equivalent amount of the portion of performance standby letters of credit (as described in the instructions for line 10 of this schedule), performance bids, bid bonds, and warranties that have been conveyed to U.S. depository institutions. Also include the credit equivalent amount of the portion of performance standby letters of credit and transaction-related contingent items (as described in line 10 of this schedule) that are secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Column I: In column I, include the credit equivalent amount of the portion of performance standby letters of credit and transaction-related contingent items (as described in the instructions for line 10 of this schedule) that are secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: In column J, include the portion of the credit-equivalent amount reported in column C that is not included in columns D through I and K. Also include the credit equivalent amount of the portion of performance standby letters of credit and transaction-related contingent items (as described in the instructions for line 10 of this schedule) that are secured by collateral or has a guarantee that qualifies for the 100 percent risk weight. Column K: In column K, refer to the CRC methodology in Table 1 under § 628.32(a) of this rule.
11	**Commercial and similar letters of credit.**
11(a)	**OBS exposures (including securitizations): Commercial and similar letters of credit with an original maturity of 14 months or less.** In this regulatory capital rule, commercial and similar letters of credit with an original maturity of 14 months or less are subjected to a CCF of 20 percent. Report in column A, the quarterly average face amount of those commercial and similar letters of credit, including self-liquidating trade-related contingent items that arise from the movement of goods with an original maturity of 14 months less that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. Report those commercial letters of credit with an original maturity exceeding 14 months that do not meet the definition of a securitization exposure in item 13(b) of this schedule.

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	The two main types of letters of credit that fall within this category are: 1) commercial letters of credit; and 2) letters of credit sold for cash. A commercial letter of credit is issued specifically to facilitate trade or commerce. Under the terms of a commercial letter of credit, as a general rule, drafts will be drawn when the underlying transaction is consummated as intended. A letter of credit for cash is a letter of credit for which the bank has received funds from the account party at the time of issuance. This type of letter of credit is not to be reported as an outstanding letter of credit but as a demand deposit. Note: For commercial and similar letters of credit with a maturity greater than 14 months, report these items in the appropriate risk-weighting categories of line 11(b) on this schedule. Column A: Report in column A, the quarterly average face amount of those commercial and similar letters of credit, including self-liquidating trade-related contingent items that arise from the movement of goods with an original maturity of 14 months less that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. Column D: In column D, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity of 14 months or less (as described in the instructions for line 11(a) of this schedule) that are secured by collateral or has a guarantee for the zero percent risk weight. Column H: In column H, include the credit equivalent amount of the portion of commercial and similar letters of credit, including self-liquidating, trade-contingent items that arise from the movement of goods, with an original maturity of 14 months or less (as described in the instructions for line 11(a) of this schedule), that have been conveyed to U.S. depository institutions. Also include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity of 14 months or less that are secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Column I: In column I, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity of 14 months or less (as described in the instructions for line 11 of this schedule) that are secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity of 14 months or less (as described in the instructions for line 11 of this schedule) that are secured by collateral or has a guarantee that qualifies for the 100 percent risk weight.

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	Column K: In column K, refer to the CRC methodology in Table 1 under § 628.32(a) of this rule.
11(b)	**OBS exposures (including securitizations): Commercial and similar letters of credit with an original maturity exceeding 14 months.** In this regulatory capital rule, commercial and similar letters of credit with an original maturity exceeding 14 months are subjected to a CCF of 50 percent. Report in column A, the quarterly average face amount of those commercial and similar letters of credit, including self-liquidating trade-related contingent items that arise from the movement of goods with an original maturity exceeding 14 months that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. The two main types of letters of credit that fall within this category are: 1) commercial letters of credit; and 2) letters of credit sold for cash. A commercial letter of credit is issued specifically to facilitate trade or commerce. Under the terms of a commercial letter of credit, as a general rule, drafts will be drawn when the underlying transaction is consummated as intended. A letter of credit for cash is a letter of credit for which the bank has received funds from the account party at the time of issuance. This type of letter of credit is not to be reported as an outstanding letter of credit but as a demand deposit. Note: For commercial and similar letters of credit with a maturity of 14 months or less, report these items in the appropriate risk-weighting categories of line 11((a) on this schedule. Column A: Report in column A, the quarterly average face amount of those commercial and similar letters of credit, including self-liquidating trade-related contingent items that arise from the movement of goods with an original maturity exceeding 14 months that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. Column D: In column D, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity exceeding 14 months that are secured by collateral or has a guarantee for the zero percent risk weight (as described in the instructions for line 11.b of this schedule). Column H: In column H, include the credit equivalent amount of the portion of commercial and similar letters of credit, including self-liquidating, trade-contingent items that arise from the movement of goods, with an original maturity exceeding 14 months (as described in the instructions for line 11.b of this schedule), that have been conveyed to U.S. depository institutions. Also include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity exceeding 14 months that are secured by collateral or has a guarantee that qualifies for the 20 percent risk weight. Column I: In column, I, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity exceeding 14 months (as described in the instructions for line 11.b of this

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	schedule) that are secured by collateral or has a guarantee that qualifies for the 50 percent risk weight. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also, include the credit equivalent amount of the portion of commercial or similar letters of credit with an original maturity of 14 months or less (as described in the instructions for line 11.b of this schedule) that are secured by collateral or has a guarantee that qualifies for the 100 percent risk weight. Column K: In column K, refer to the CRC methodology in Table 1 under § 628.32(a) of this rule.
12	**OBS exposures (including securitizations): Repo-styled transactions (includes securities borrowed, securities lent, reverse repos and repos).** Repo-style transactions include: 1) Securities lending transactions, including transactions in which the System institution acts as an agent for a customer and indemnifies the customer against loss; 2) Securities borrowing transactions; 3) Securities purchased under agreements to resell (i.e., "reverse repos"); and 4) Securities sold under agreements to repurchase (i.e., "repos"). Report in column A, the exposure amount of repo-style transactions that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule. For repo-style transactions to which the bank applies the Simple Approach to recognize the risk-mitigating effects of qualifying financial collateral, as outlined in § 628.37 of this rule, the exposure amount to be reported in column A is the sum of the fair value as of the report date of securities the bank has lent, the amount of cash or the fair value as of the report date of other collateral the System institution has posted for securities borrowed, the amount of cash provided to the counterparty for securities purchased under agreements to resell (as reported in Schedule RC-B Securities, item 5(g), and the fair value as of the report date of securities sold under agreements to repurchase. For repo-style transactions to which the bank applies the Collateral Haircut Approach to recognize the risk-mitigating effects of qualifying financial collateral, as outlined in § 628.37 of this rule, the exposure amount to be reported in column A for a repo-style transaction or a single-product netting set of such transactions is determined by using the exposure amount equation in § 628.37(c) of this rule. Note: Although securities purchased under agreements to resell (reverse repos) and securities sold under agreements to repurchase (repos) are reported on the balance sheet (Schedule RC-B Securities), they are included in this schedule (RC-R.7) as securities lent and securities borrowed and designated as repo-style transactions that are treated collectively as OBS items under this regulatory capital rule. Column A: Report in column A, the exposure amount of repo-style transactions that do not meet the definition of a securitization exposure as described in § 628.2 of this rule.

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	Column C: In column C, report 100 percent of the exposure amount reported in column A. Column D: In column D, include the credit equivalent amount of repo-style transactions that are supported by the appropriate amount of collateral that qualifies for the zero percent risk weight under this rule. Refer to § 628.37 in the rule. Column E: In column E, include the credit equivalent amount of centrally cleared repo-style transactions with Qualified Central Counterparties (QCCPs), as defined in § 628.2 and described in § 628.35 of this rule. Column F: In column F, include the credit equivalent amount of centrally cleared repo-style transactions with QCCPs in all other cases that do not meet the criteria of qualification for a 2 percent risk weight, as described in § 628.35 of this rule. Column H: In column H, include the credit equivalent amount of repo-style transactions that are supported by the appropriate amount of collateral that qualifies for the 20 percent risk weight under this rule. Also include the credit equivalent amount of repo-style transactions that represents exposures to U.S. depository institutions. Column I: In column I, include the credit equivalent amount of repo-style transactions that are supported by the appropriate amount of collateral that qualifies for the 50 percent risk weight under this rule. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also include the credit equivalent amount of repo-style transactions that are supported by the appropriate amount of collateral that qualifies for the 100 percent risk weight under this rule. Column K: In column K, include the credit equivalent amount of repo-style transactions that are supported by the appropriate amount of collateral that qualifies for the 150 percent risk weight under this rule.
13	**Unused commitments (OBS exposures).** Report in items 13.a through 13.c the quarterly average amounts of unused commitments, including those that are unconditionally cancelable. Where an institution provides, a commitment structured as a syndication or participation, the institution is only required to calculate the exposure amount for its pro rata share of the commitment.
13(a)	**Unused Commitments: Original maturity of 14 months of less.** Report in column A, the quarterly average amounts of the unused portion of those commitments to make or purchase extensions of credit in the form of loans or participations in loans, lease financing receivables, or similar transactions that have an original maturity of 14 months or less and are subject to this regulatory capital rule.

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	Under this rule, the unused portion of commitment (facilities) that are unconditionally cancelable at any time by the institution have a zero percent credit conversion factor (CCF). As such, the unused portion of such unconditionally cancelable commitments should be excluded from this line category. "Original maturity" is defined as the length of time between the date a commitment is issued and the date of maturity, or the earliest date on which the bank (1) is scheduled to (and as a normal practice actually does) review the facility to determine if it should be extended; and, (2) can unconditionally cancel the commitment. Column A: Report in column A, the quarterly average amounts of the unused portion of commitments to make or purchase extensions of credit in the form of loans or participations in loans, lease financing receivables, or similar transactions that have an original maturity of 14 months or less. Column D: In column D, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the zero percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column H: In column H, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 20 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column I: In column, I, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 50 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 100 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column K: In column K, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 150 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above.
13(b)	**Unused Commitments: Original maturity exceeding 14 months.** Report in column A, the quarterly average amounts of the unused portion of those commitments to make or purchase extensions of credit in the form of loans or participations in loans, lease financing receivables, or

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	similar transactions that have an original maturity exceeding 14 months and are subject to the regulatory capital rules. Commercial and similar letters of credit exceeding 14 months are not included in this line category, but instead must be risk weighted in line 11.b of this schedule. Also include in column A, the unused portion of all revolving underwriting facilities regardless of maturity. In the case of consumer home equity or mortgage lines of credit secured by liens on credit secured by liens on single family rural home, or other revolving underwriting facilities, an institution is deemed able to unconditionally cancel the commitment if, at its option, it can prohibit additional extensions of credit, reduce the credit line, and terminate the commitment to the full extent permitted by relevant federal law. Column A: Report in column A, the quarterly average amounts of the unused portion of those commitments to make or purchase extensions of credit in the form of loans or participations in loans, lease financing receivables, or similar transactions that have an original maturity exceeding 14 months and are subject to the regulatory capital rules. Column D: In column D, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the zero percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column H: In column H, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 20 percent risk weight category as described in the instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Include the credit equivalent amount of commitments that have been conveyed to U.S. depository institutions. Column I: In column I, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 50 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column I: In column I, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 50 percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Also, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 100 percent risk weight category as described

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	in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above. Column K: In column K, include the credit equivalent amount of unused commitments to counterparties who meet, or that have guarantees or collateral that meets, the criteria for the zero percent risk weight category as described in the general instructions for Risk-Weighted Assets and for Schedule RC-R.7, lines 1 through 3 and 5 through 7, above.
13(c)	**Unused Commitments: Unused commitment on direct loans (wholesale exposure only).** Report in column A, the quarterly average amounts of the unused portion of commitments on wholesale direct loans made to associations and on wholesale loans made to OFIs that are not unconditionally cancelable as reported in Schedule RC.1 Memoranda, items 1(a)(ix), and 1(a)(x), respectively. Under this regulatory capital rule, the unused portion of commitments to fund direct loans to associations and OFIs have a 20 percent CCF, irrespective of the maturity of such commitments. Note: Under this rule, a System bank must set a specific dollar amount as the maximum credit limit for the General Financing Agreement (GFA) or promissory note to satisfy the requirements of FCA regulation § 614.4125(d). Column A: Report in column A, the quarterly average amounts of the unused portion of commitments on wholesale direct loans made to associations and on wholesale loans made to OFIs that are not unconditionally cancelable as reported in Schedule RC.1 Memoranda, items 1(a)(ix), and 1(a)(x), respectively. Column H: In column H, include all unused commitments to fund the direct loan (wholesale) exposure of a bank to its affiliated System associations, irrespective of the term length of the commitment, as long as an association is (substantially) meeting the terms of its GFA covenants and is not in default. For a direct loan that is in default the FCA would, most likely, use its reservation of authority to risk weight such a loan if it became necessary. Also, due to statutory historical parity in the treatment of associations and OFIs, and the requirement of equitable treatment of OFIs and associations under FCA rule § 614.4590, the unused commitments of direct loan exposures to OFIs will be risk weighted at 20 percent as long as the OFI is a depository institution or credit union organized under the laws of the U.S. or any state of the U.S., or is owned or controlled by such an entity that guarantees the exposure. If the OFI exposure does not satisfy these requirements, it will be assigned a higher risk weight based on its circumstance or specific criteria. Column I: In column I, include all unused commitments to fund the direct loan (wholesale) exposures of OFIs that don't satisfy the criteria for a 20 percent risk weight, and are not corporate exposures but that meet at least one of the following criteria: (i) the OFI is investment grade or is owned or controlled by an investment grade entity that guarantees the exposure; or, (ii) the OFI meets capital, risk identification and control,

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	and operational standards similar to OFIs identified in § 628.32(d)(1) of this rule. Column J: In column J, include all unused commitments to fund direct loan (wholesale) exposures of OFIs that don't satisfy the requirements for the 20 percent or 50 percent risk weightings.
14	**OBS: Over-the-counter (OTC) derivatives.** Report in column C, the quarterly average credit equivalent amount of OTC derivative contracts covered by this regulatory capital rule. As defined in § 628.2 of this rule, a derivative contract is a financial contract whose value is derived from the values of one or more underlying assets, reference rates, or indices of asset values or reference rates. Do not include centrally cleared derivative contracts. Include OTC derivative contracts that meet the definition of a securitization exposure as described in § 628.2 of this rule. The credit equivalent amount of an OTC derivative contract to be reported in column C is the sum of its current credit exposure ("CCE") plus the potential future credit exposure (PFE) over the remaining life of the derivative contract - regardless of its CCE, if any - as described in § 628.34. The CCE of a derivative contract is the greater of the mark-to-fair value of the derivative contract or zero. The PFE of an OTC derivative contract, which is based on the type of contract and the contract's remaining maturity, is determined by multiplying the notional principal amount of the contract by the appropriate CCF as reflected in Table 1 to § 628.34 of this regulatory capital rule. Under FCA's regulatory capital rule and for purposes of Schedule RC-R.7, the existence of a legally enforceable bilateral netting agreement between the reporting bank and a counterparty may be taken into consideration when determining both the CCE and the PFE of derivative contracts. When assigning to OTC derivative exposures to risk-weight categories, institutions can recognize the risk-mitigating effects of financial collateral by using either the Simple Approach or the Collateral Haircut Approach, as described in § 628.37(b) and § 628.37(c), respectively, of this rule. Note: On interest rate swaps, amounts reported in line 14 should include accrued net settlement amounts which have not been paid or received. For each netting set, where net settlement amounts payable exceed amounts receivable, accrued net settlement included in the exposure amount has a floor of zero (it cannot be a negative amount or go below zero). Note: Certain unsettled Delivery-versus-payment (DvP) and Payment-versus-payment (PvP) transactions with a delayed settlement are reported in this line item. These transactions refer to securities associated with the phrase "when issued" (WI) or "To be announced" (TBA). Treasury securities, new stock issues and bonds are traded on a when-issued basis when they have been announced but not yet issued. Pass-through securities issued by Freddie Mac, Fannie Mae, and Ginnie Mae

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	trade in the TBA market. The term TBA means the obligor will deliver the actual MBS to fulfill a TBA trade that is not designated at the time the trade is made. These transactions are treated as derivative contracts under § 628.34. Column C: Report in column C, the quarterly average credit equivalent amount of OTC derivative contracts covered by this regulatory capital rule. Do not include centrally cleared derivative contracts. Include OTC derivative contracts that meet the definition of a securitization exposure as described in § 628.2 of this rule. Column D: In column D, include the credit equivalent amount of OTC derivative contracts with counterparties who meet, or that have guarantees or collateral that meets, the criteria for the zero percent risk weight category as described in the instructions for RWAs and for items 1 through 3, and 5 through 7 of this schedule, above. This includes OTC derivatives contracts that are marked-to-market daily and subject to a daily margin maintenance requirement, to the extent the contracts are collateralized by cash on deposit at the reporting institution. Column G: In column G, include the credit equivalent amount of OTC derivative contracts that are marked-to-market daily and subject to a daily margin maintenance requirement, to the extent the contracts are collateralized by a sovereign exposure that qualifies for a zero percent risk weight under § 628.31 of this rule. Column H: In column H, include the credit equivalent amount of OTC derivative contracts with counterparties who meet, or that have guarantees or collateral that meets, the criteria for the 20 percent risk weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Column I: In column I, include the credit equivalent amount of OTC derivative contracts with counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 50 percent risk weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Column J: In column J, include the credit equivalent amount of OTC derivative contracts with counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 100 percent risk weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Also include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Column K: In column K, include the credit equivalent amount of OTC derivative contracts with counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 150 percent risk weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above.

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	Column P: In column P, include the portion of OTC derivative contracts secured by the fair value or adjusted fair value of securitization exposure or mutual fund collateral as determined under the Simple Approach or the Collateral Haircut Approach, respectively; however, the System institution must apply the same approach for all OTC derivative contracts. In addition, if the institution applies the Simple Approach, it must apply the same approach - either the SSAF or Gross-Up Approach - that it applies to determine the RWA amounts of its on- and OBS securitization exposures that are reported in lines 4(a) through (c) and lines 9 through 17 of this schedule. Column Q: Report in column Q the RWA amount of the securitization exposure or mutual fund collateral that collateralizes the portion of OTC derivative contracts secured by such collateral. Any remaining portion of the OTC derivative exposure that is uncollateralized or collateralized by other qualifying collateral would be reported in columns D through K, as appropriate.
15	**OBS: Centrally cleared derivatives.** Report in column C, the quarterly average credit equivalent amount of centrally cleared derivative contracts covered by this regulatory capital rule. Include centrally cleared derivative contracts that meet the definition of a securitization exposure as described in § 628.2 of this rule. The credit equivalent amount of a centrally cleared derivative contract is the sum of its CCE, plus the PFE over the remaining life of the derivative contract, plus the fair value of collateral posted by the clearing member client bank and held by the central counterparty or a clearing member in a manner that is not bankruptcy remote. Note: On interest rate swaps, amounts reported in line 15 should include accrued net settlement amounts which have not been paid or received. For each netting set, where net settlement amounts payable exceed amounts receivable, accrued net settlement included in the exposure amount has a floor of zero (it cannot be a negative amount or go below zero). Section 628.35 of this rule covers how to risk weight centrally cleared derivative contracts. There are generally two types of methodologies calculating exposure amounts for cleared derivative contracts: 1) the current exposure method (CEM); and, 2) the collateral haircut method (CHM). For a cleared transaction with a trade exposure amount calculated using the CEM, see § 628.35(b)(2)(i). For a cleared transaction that is a repo-style transaction calculated using the CHM, see § 628.35(b)(2)(ii). Column C: Report in column C the quarterly average credit equivalent amount of centrally cleared derivative contracts covered by this regulatory capital rule. Include centrally cleared derivative contracts that meet the definition of a securitization exposure as described in § 628.2 of this rule.

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	Column D: In column D, include the credit equivalent amount of centrally cleared derivative contracts with central counterparties (CCPs) and other counterparties who meet, or that have guarantees or collateral that meet, the criteria for the zero percent risk-weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Column E: In column E, include the credit equivalent amount of centrally cleared derivative contracts the Qualified Central Counterparties (QCCPs) where the collateral posted by the bank to the QCCP or clearing-member is subject to an arrangement that prevents any losses to the clearing-member client due to the joint default or a concurrent insolvency, liquidation, or receivership proceeding of the clearing member and any other clearing member clients of the clearing member; and the clearing member client bank has conducted sufficient legal review to conclude with a well-founded basis (and maintains sufficient written documentation of that legal review) that in the event of a legal challenge (including one resulting from default, or from liquidation, insolvency, or receivership proceeding) the relevant court and administrative authorities would find the arrangements to be legal, valid, binding, and enforceable under the law of the relevant jurisdictions. The definition for QCCP is in § 628.2 of this rule. Column F: In column F, included the credit equivalent amount of centrally cleared derivative contracts with QCCPS in all other cases that do not meet the qualification criteria for a 4 percent risk weight, as described in § 628.2 of this rule. Column H: In column H, include the credit equivalent amount of centrally cleared derivative contracts with CCPs and other counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 20 percent risk-weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Column I: In column I, include the credit equivalent amount of centrally cleared derivative contracts with CCPs and other counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 50 percent risk-weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Column J: In column J, include the credit equivalent amount of centrally cleared derivative contracts with CCPs and other counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 100 percent risk-weight category as described in the instructions for RWAs and for line items 1 through 3, and 5 through 7 of this schedule, above. Also include the portion of the credit equivalent amount reported in column C that is not included in columns D through I and K. Column K: In column K, include the credit equivalent amount of centrally cleared derivative contracts with CCPs and other counterparties who meet, or that have guarantees that meet, the criteria for the 150 percent

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	risk-weight category as described in the instructions for RWAs and for lines 1 through 3, and 5 through 7 of this schedule, above.
16	**OBS: Unsettled transactions.** Report as unsettled transactions the quarterly average amount of all on- and off-balance sheet transactions involving securities, foreign exchange instruments, and commodities that have a risk of delayed settlement or delivery, or are already delayed, and against which the reporting institution must hold risk-based capital as described in § 628.38 of this regulatory capital rule. For delivery-versus-payment (DvP) transactions and payment-versus-payment (PvP) transactions, report in column A, the positive current exposure of those unsettled transactions with a normal settlement period in which the reporting bank's counterparty has not made delivery or payment within five business days after the settlement date, which are the DvP and PvP transactions subject to risk weighting under § 628.38 of this rule. Note: As defined under § 628.38 of this rule, 1) a DvP transaction means a securities or commodities transaction in which the buyer is obligated to make payment only if the seller has made delivery of the securities or commodities and the seller is obligated to deliver the securities or commodities only if the buyer has made payment; 2) a PvP transaction means a foreign exchange transaction in which each counterparty is obligated to make a final transfer of one or more currencies only if the other counterparty has made a final transfer of one or more currencies; and 3) the positive current exposure of a System institution for a transaction is the difference between the transaction value at the agreed settlement price and the current fair value price of the transaction, if the difference results in a credit exposure of the System institution to the counterparty. For delayed non-DvP/non-PvP transactions, also include in column A, the current fair value of the deliverables owed to the bank by the counterparty in those transactions with a normal settlement period in which the reporting bank has delivered cash, securities, commodities or currencies to its counterparty, but has not received its corresponding deliverables, which are the non-DvP/non-PvP transactions subject to the risk-weighting under § 628.38 of this rule. Do not include in this item: 1) cleared transactions that are marked-to-market daily and subject to daily receipt and payment of variation margin; 2) repo-style transactions, including unsettled repo-style transactions; 3) one-way cash payments on OTC derivatives; and 4) transactions with a contractual settlement period that is longer than the normal settlement period (generally greater than five business days. (Note: A non-DvP/non-PvP transaction means any other delayed or unsettled transaction that does not meet the definition of a DvP or a PvP transaction). Certain delayed settlement non-DvP/non-PvP transactions refer to securities associated with the phrase "when issued" (WI) or "To be announced" (TBA). Treasury securities, new issues of stocks, and bonds trade on a when-issued basis meaning the obligors has authorized the

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	securities but they are not yet issued. Pass-through securities issued by Freddie Mac, Fannie Mae, and Ginnie Mae trade in the TBA market, and the term TBA means the obligor will deliver an actual mortgage backed security to fulfill a TBA trade that is not designated, at the time the trade is made. These TBA transactions are treated as derivative contracts under § 628.34 and reported in Schedule RC-R.7, item 14. Column D: In column D, include the fair value of deliverables owed to the System institution by a counterparty that qualifies for a zero percent risk weight under § 628.32 of this rule that have been delayed one to four business days for non-DvP/non-PvP transactions. Column H: In column H, include the fair value of deliverables owed to the System institution by a counterparty that qualifies for a 20 percent risk weight under § 628.32 of this rule that have been delayed one to four business for non-DvP/non-PvP transactions. Column I: In column I, include the fair value of deliverables owed to the System institution by a counterparty that qualifies for a 50 percent risk weight under § 628.32 of this rule that have been delayed one to four business for non-DvP/non-PvP transactions. Column J: In column J, include: 1) The fair value of deliverables owed to the System institution by a counterparty that qualifies for a 100 percent risk weight under § 628.32 of this rule that have been delayed one to four business days for non-DvP/non-PvP transactions; and 2) The positive current exposure of DvP and PvP transactions in which the counterparty has not made delivery or payment within 5 to 15 business days after the contractual settlement date. Column K: In column K, include the fair value of deliverables owed to the System institution by a counterparty that qualifies for a 150 percent risk weight under § 628.32 of this rule that have been delayed one to four business for non-DvP/non-PvP transactions. Column M: In column M, use the 625 percent risk weight for the positive current exposure of DvP and PvP transactions in which the counterparty has not made delivery or payment within 16 to 30 business days after the contractual settlement date. Column N: In column N, use the 937.5 percent risk weight for the positive current exposure of DvP and PvP transactions in which the counterparty has not made delivery or payment within 31 to 45 business days after the contractual settlement date. Column O: In column O, include: The positive current exposure of DvP and PvP transactions in which the counterparty has not made delivery or payment within 46 or more business days after the contractual settlement date; and 2) The fair value of the deliverables in non-DvP/non-PvP transactions in which the bank has not received deliverables from the counterparty five or more business days after which the delivery was due.

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17	**Off-balance sheet (OBS) exposures (including securitizations): All other OBS liabilities.** Report in column A the quarterly average of: 1) the notional amount of all other OBS liabilities that are covered by this regulatory capital rule; 2) the face amount of risk participations in bankers acceptances that have been acquired by the reporting institution and are outstanding; 3) the maximum contractual amount of an institution's exposure from assets sold with credit-enhancing representations and warranties that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule; 4) the notional amount of written option contracts that act as financial guarantees that do not meet the definition of a securitization exposure as described in § 628.2 of this regulatory capital rule; and, 5) the notional amount of all forward agreements, which are defined as legally binding contractual obligations to purchase assets with certain drawdowns at a specified future date, not including commitments to make residential mortgage loans or forward foreign exchange contracts. However, exclude from column credit derivatives purchased by the bank that are recognized as guarantees of an asset or off-balance sheet exposure under this regulatory capital rule - i.e., credit derivatives on which the bank is the beneficiary (report the guaranteed asset or exposure in Schedule RC-R.7, in the appropriate balance sheet or OBS category and in the risk weight category applicable to the derivative counterparty rather than the risk-weight category applicable to the obligor of the guaranteed asset). Note: All other OBS liabilities that are not listed here or assigned specific risk weighting categories must be risk weighted based on the CRC methodology. Column D: In column D, include the credit equivalent amount of liabilities to counterparties who meet, or that have guarantees or collateral that meet, the criteria for the zero percent risk weight category as described in the instructions for RWAs and for Schedule RC-R.7, lines 1 through 3, and 5 through 7 above. Column H: In column H, include the credit equivalent amount of liabilities to counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 20 percent risk weight category as described in the instructions for RWAs, and for Schedule RC-R.7, lines 1 through 3, and 5 through 7, above. Column I: In column I, include the credit equivalent amount of liabilities to counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 50 percent risk weight category as described in the instructions for RWAs, and for Schedule RC-R.7, lines 1 through 3, and 5 through 7, above. Column J: In column J, include the portion of the credit equivalent amount reported in column C that is not included in columns D through K. Include

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	the credit equivalent amount of liabilities to counterparties who meet, or that have guarantees or collateral that meet the criteria for the 100 percent risk weight category as described in the instructions for RWAs and for Schedule RC-R.7, lines 1 through 3, and 5 through 7, above. Column K: In column K, include the credit equivalent amount of liabilities to counterparties who meet, or that have guarantees or collateral that meet, the criteria for the 150 percent risk weight category as described in the instructions for RWAs, and for Schedule RC-R.7, lines 1 through 3, and 5 through 7, above.
18	**Total off-balance sheet exposures.** For each of the columns D through O, report the sum of items 9 through 17.
19	**Total on-and off-balance sheet exposures.** For each of the columns D through O, report of sum of lines 8 and 18.
20	**Risk weight factor.** This line reports the corresponding risk weight factors for each of the columns D through Q (as applicable).
21	**Risk weighted assets (RWA) before asset deductions (line 19 multiplied by line 20).** For each of the columns D through Q on this line, multiply the amounts in columns D through Q on line 19 by the corresponding risk weight factors in columns D through Q on line 20.
22	**Total RWA before deductions (sum of row 21, columns D through Q).** Report in this line the total quarterly average amount of RWAs before any deductions from regulatory capital have been subtracted.
23	**Total intra-system equity investments and other adjustments per § 628.22(b).** Report in this line the quarterly average amount of an institution's equity investments (allocated and purchased) in other System institutions. For Call Report purposes, FCA has decided to treat equity investments in System institutions, service corporations and the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) similarly. All of the allocated investments should be reported net of DTLs, as appropriate and as discussed in Schedule RC-R.4, item 6(f). See FCA regulations § 628.2, 611.1135, and 619.8185. All these entities are System institutions: • System institutions include: banks, associations, Farm Credit Leasing Service Corporations (FCL), and the Funding Corporation. • Service corporations include: Farm Credit Building Association, Farm Credit Leasing Service Corporation (FCL), Farm Credit Financial Partners, Inc., AgVantis, Inc., and Farm Credit Foundations. CoBank wholly owns FCL. Also report in this item adjustments to regulatory capital made in accordance with § 628.22(b). Specifically, include here patronage or dividend accrued receivables deducted from regulatory capital per § 628.22(b) net of patronage or dividend accrued payables added back to regulatory capital per § 628.22(b) (RC-R.4 item 6(i) less RC-R.4 item 6(j)).

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	In total, Line 23 should equal (Sch. RC-R.4, line 6(f)+6(g)+6(h)+6(i)-6(j)+9(a)+17(a))
24	**Total deductions from regulatory capital (Sch. RC-R.4, line 21).** Report the quarterly average amount of total deductions from regulatory capital as reported in Schedule RC-R.4, line 21. The total amount of deductions that are subtracted from the numerator in Schedule RC-R.4, line 21, must also be subtracted from the denominator, and this amount reflects all of those total deductions.
25	**Total RWAs before adjusted allowances for credit losses (AACL) deduction (sum of lines 22 and 23, minus line 24).** Report the total quarterly average amount of RWAs before the excess adjusted allowance for credit losses that is not included in Tier 2 capital is subtracted from RWAs. This RWA figure includes all deductions that are subtracted from regulatory capital - including intra-System equity investments.
26	**Less: Amount of AACL not included in tier 2 capital (Sch. RC-R.1, item 11a).** Report the quarterly average amount of the excess AACL that is not included in Tier 2 capital. This amount should be equal to the amount in Schedule RC-R.1, item 11(a).
27	**Total RWAs used for Tier 1/Tier 2 capital ratios (line 25 minus line 26).** Report the quarterly average amount of total RWAs that are used for the Tier 1/Tier 2 capital ratios after all deductions to regulatory capital (including intra-System equity investments) and the excess allowance and reserve have been subtracted.
28	**Total RWAs use for the permanent capital ratio ("PCR" – sum of items 22 and 23, minus Sch. RC-R.6, item 4h, minus Sch. RC-R.4, item 14a).** Report the quarterly average amount of total RWAs that are used for the PCR after all deductions to regulatory capital (including intra-System equity investments) have been subtracted.

Appendices

Appendix A—System codes

Uninum	Institution
Service Corporations	
2000002	Funding Corporation
2000004	Leasing Corporation
2000005	Farmer Mac
2000007	FC Financial Partners
2000009	AgVantis
2000011	Farm Credit Foundations
2000012	SunStream Business services
Banks	
925000	CoBank
610000	FCB of Texas
620000	AgFirst, FCB
622000	AgriBank, FCB

FCB of Texas District		AgFirst District		AgriBank District		CoBank District	
Uninum	**Institution**	**Uninum**	**Institution**	**Uninum**	**Institution**	**Uninum**	**Institution**
710269	AgTexas FCS	720033	First South	722012	GreenStone	725031	Idaho AgCredit
710454	AgTrust	720040	Central Kentucky	722114	Mandan	725131	Oklahoma AgCredit
710549	Central Texas	720060	Puerto Rico	722146	Farm Credit Illinois	725203	American AgCredit
710566	Capital Farm Credit	720066	AgSouth	722198	FCS of America	725247	Western AgCredit
710812	Texas FCS	720131	ArborOne	722216	AgCountry	725326	Farm Credit East
710862	Legacy Ag Credit	720143	Colonial	722233	Farm Credit Mid-America	725335	AgWest
710924	Louisiana Land Bank	720168	Southwest Georgia	722313	Western Arkansas	725429	High Plains
710973	Mississippi Land Bank	720186	Northwest Florida	722350	AgHeritage	725450	Yosemite
710981	Southern AgCredit	720188	Central Florida	722406	Farm Credit Southeast Missouri	725466	Colusa-Glenn
710985	Alabama	720194	FC of Virginias	722644	FCS Financial	725488	Premier
710990	Alabama Ag Credit	720336	AgGeorgia	722918	Compeer	725629	Western Oklahoma
810586	Plains Land Bank	720345	Horizon			725676	Fresno-Madera
		720376	Florida			725715	Western Kansas
		720440	AgCarolina			725818	Golden State
		720899	AG Credit			725839	Frontier
		720922	River Valley AgCredit			725940	Southern Colorado

Appendix B—Certification letter

The following is an example of the Certification Letter which must be completed for all Regular and Supplemental Call Reports. Certification Letters must be signed by the appropriate designated officer of the institution. If an addendum is required to be submitted, the Certification Letter must, by specific reference, incorporate that the addendum as part of the submitted Call Report. Only those schedules completed by the institution should be listed in the Certification letter.

*[Official letterhead of the institution reporting]

Office of Information Technology
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

To whom it may concern:

The following Uniform Call Report schedules were included in the Call Report data file that was submitted to the FCA for the quarter ending ___________________:

Schedule RC	Schedule RC-F4	Schedule RC-N.2	Schedule RC-R.1
Schedule RC.1	Schedule RC-F5	Schedule RC-O	Schedule RC-R.2
Schedule RC-B	Schedule RC-G	Schedule RI	Schedule RC-R.3
Schedule RC-B.2	Schedule RC-H	Schedule RI-A	Schedule RC-R.4
Schedule RC-B.3	Schedule RC-I.1	Schedule RI-B	Schedule RC-R.5
Schedule RC-B.4	Schedule RC-I.2	Schedule RI-C	Schedule RC-R.6
Schedule RC-B.5	Schedule RC-J	Schedule RI-C.1	Schedule RC-R.7
Schedule RC-F	Schedule RC-K	Schedule RI-D	
Schedule RC-F1	Schedule RC-L	Schedule RI-E.1	
Schedule RC-F2	Schedule RC-M	Schedule RI-E.2	
Schedule RC-F3	Schedule RC-N.1		

Banks and specific associations as instructed by FCA are required to complete a separate Certification Letter for the Supplemental Call Report (Schedules RC-N.1 and RC-N.2.)]

I, ______________________, am authorized to certify the correctness of the Call Report information by action of the board of directors of _______________________ or by virtue of being the institution's president or chief executive officer. To the best of my knowledge and belief, I hereby certify that this report of condition and performance has been prepared in accordance with all applicable regulations and instructions and is a true and accurate representation of this institution's financial condition and performance for the reporting period ended ____________________.

__________________________________ _____________________

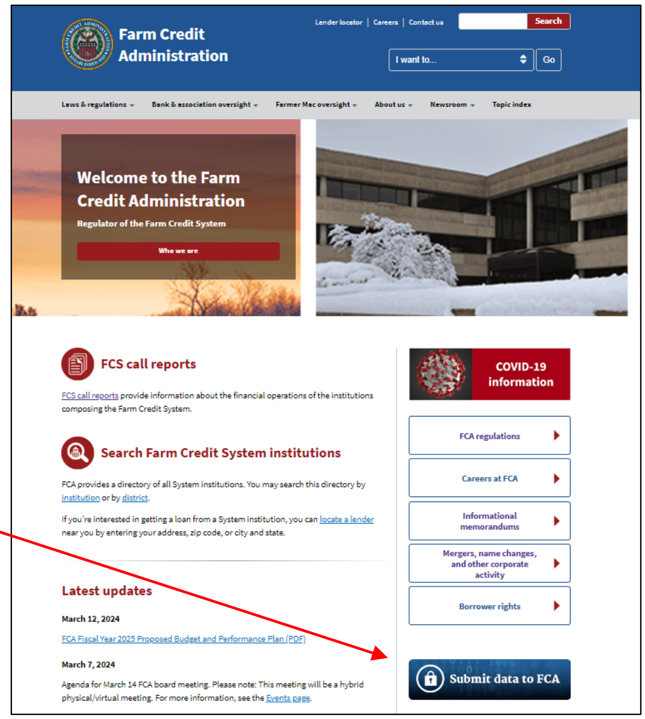
(signature of certifying officer) (date signed)

Appendix C — Instructions for submitting information to FCA

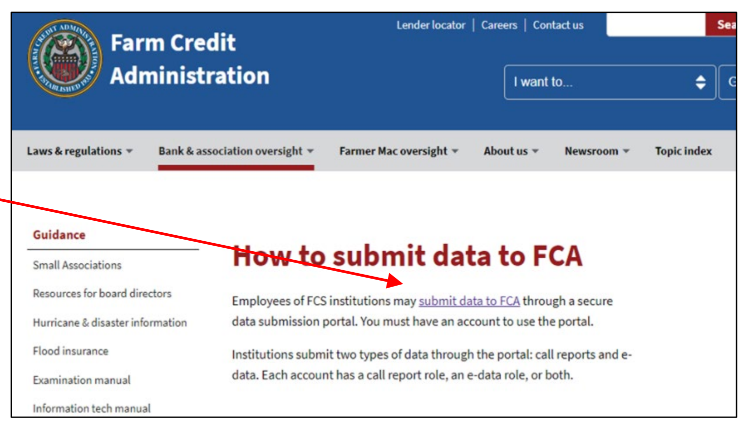
FCA provides a secure communication portal to allow FCS institutions to submit information to FCA. You must have an account to access the portal. When created each account is assigned a call report role, e-data role, or both.

Beginning with reporting for quarter-ending 3/31/2024, FCS institutions are expected to file their quarterly Call Report, related Addenda, and supplemental Call Report schedules RC.N1 and RC.N2 through FCA's Call Report application.

Sign-in access for FCA's secure data portal is available through:



- the **Submit data to FCA** button on FCA's main website page (fca.gov), or



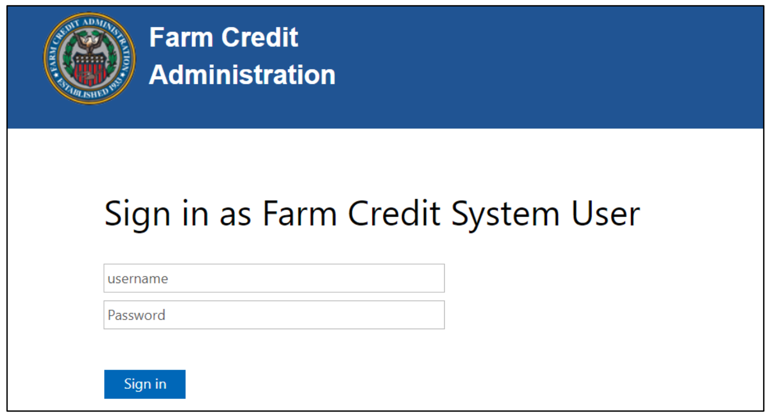
- the <u>submit data to FCA</u> link on the **How to submit data to FCA** page on the website.

Path to <u>How to submit data to FCA:</u>

Main website page > FCS call reports > option under Guidance - **How to submit data to FCA**

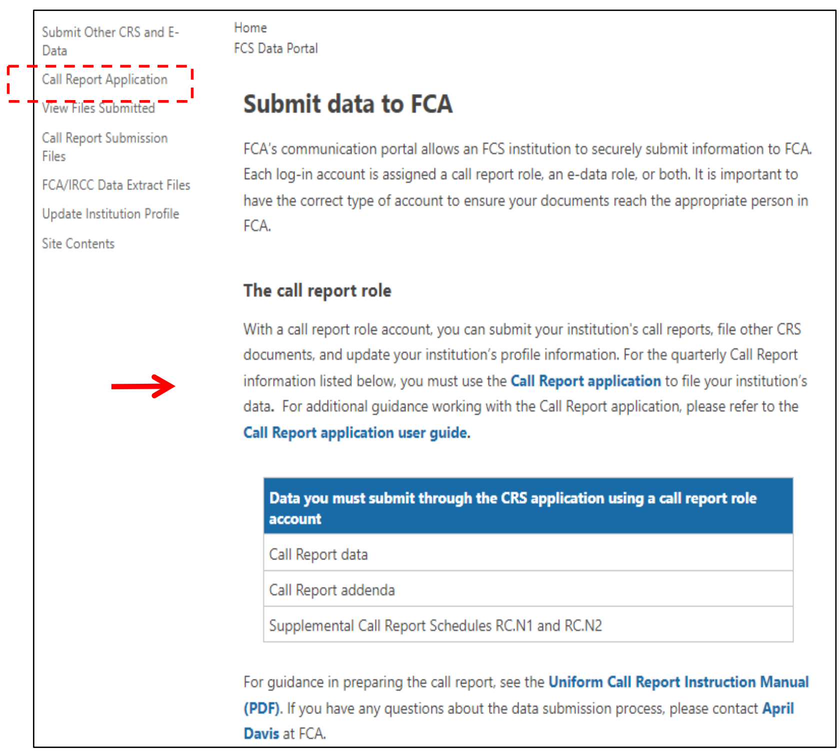
- On the sign-in page, select Farm Credit System Institution.

- Sign-in to the submit data portal. Although not shown in the snapshot, this page has a link to FCA's Self-Service Password Management Portal, which will allow you to reset or change your account password. If you don't have an account, you will need to submit an Account Request form to the FCA Helpline.



Submitting Quarterly Call Report, Addendum, and Supplemental Call Report Schedules RC.N1 & RC.N2

- Once signed-in, a user will be able to:
  - access the Call Report application and submit Call Report data, Call Report addendums, and Supplemental Call Report schedules RC.N1 and RC.N2.
  - link to the Call Report application's users guide
  - link to the Uniform Call Report Instruction manual



Submitting additional Call Report and E-Data information

- A user will also be able to access a secure portal to Submit other call report and E-data information.

Submit Other CRS and E-Data
Call Report Application
View Files Submitted
Call Report Submission Files
FCA/IRCC Data Extract Files
Update Institution Profile
Site Contents

Home
FCS Data Portal

Submit data to FCA

FCA's communication portal allows an FCS institution to securely submit information to FCA. Each log-in account is assigned a call report role, an e-data role, or both. It is important to have the correct type of account to ensure your documents reach the appropriate person in FCA.

The call report role

With a call report role account, you can submit your institution's call reports, file other CRS documents, and update your institution's profile information. For the quarterly Call Report information listed below, you must use the **Call Report application** to file your institution's data. For additional guidance working with the Call Report application, please refer to the **Call Report application user guide**.

Data you must submit through the CRS application using a call report role account
Call Report data
Call Report addenda
Supplemental Call Report Schedules RC.N1 and RC.N2

For guidance in preparing the call report, see the **Uniform Call Report Instruction Manual (PDF)**. If you have any questions about the data submission process, please contact **April Davis** at FCA.

A call report role account can also be used to submit the following information to FCA through the **Submit Other CRS and E-data** portal. For guidance on how to submit other CRS and E-data please refer to the **FCS Data Portal Instructions**.

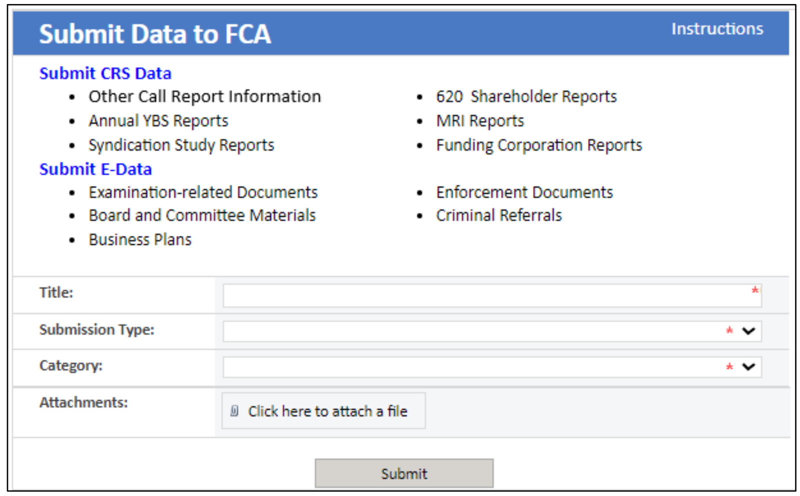
Data you may submit through the secure data portal using a call report role account	
Annual meeting information statement	Notice of significant or material event
Annual report	OMB budget report
Call Report Appendix D	Other call report correspondence
Farmer Mac debt, derivatives, liquidity report	PCR noncompliance notice
Farmer Mac Risk-Based Capital Stress Test data	Quarterly report
Farmer Mac SEC-Treasury correspondence	Syndication/assignment study report
Government-guaranteed loan data	YBS data
Mission-related investments report	

The e-data role

E-data are data and documents that FCA examiners request from FCS institutions during examinations. If you hold an account with the e-data role, you may also submit E-data for your institution using the **Submit Other CRS and E-data** portal.

Data you may submit using an account with the e-data role	
Audit reports	Management reports – Credit
Board/committee meeting materials	Management reports – Finance
District reports	Management reports – IT
Enforcement and supervision information	Management reports – Other
Human resource documents	Planning documents
Legal documents	Policies and procedures

- Within the data portal:
  - Additional call report or E-data information can be attached to submit to FCA
  - Submission type identifies the information as either Call Report or E-Data
  - The category options (identified in the snapshot on the previous page) will depend on the Submission type
  - It is important all call report attachments include a UNINUM



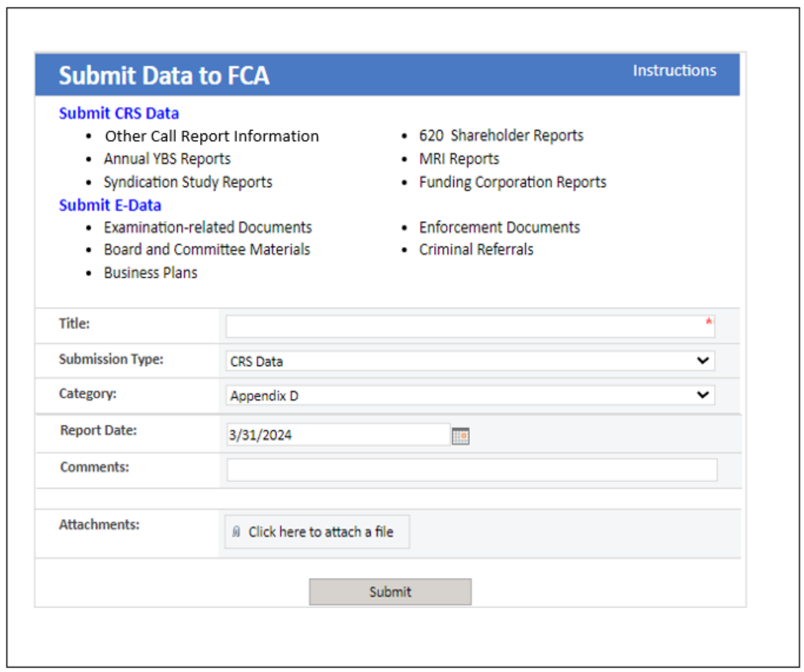
To submit CRS data and E-data

- click on the drop-down arrow for "Submission Type" and select either "CRSData" or E-Data.

- Next, click on the drop-down arrow for "Category" and select which category to submit. Category options will be different depending on the Submission type

- Then select the submission "Reporting Date" and add any necessary "Comments".

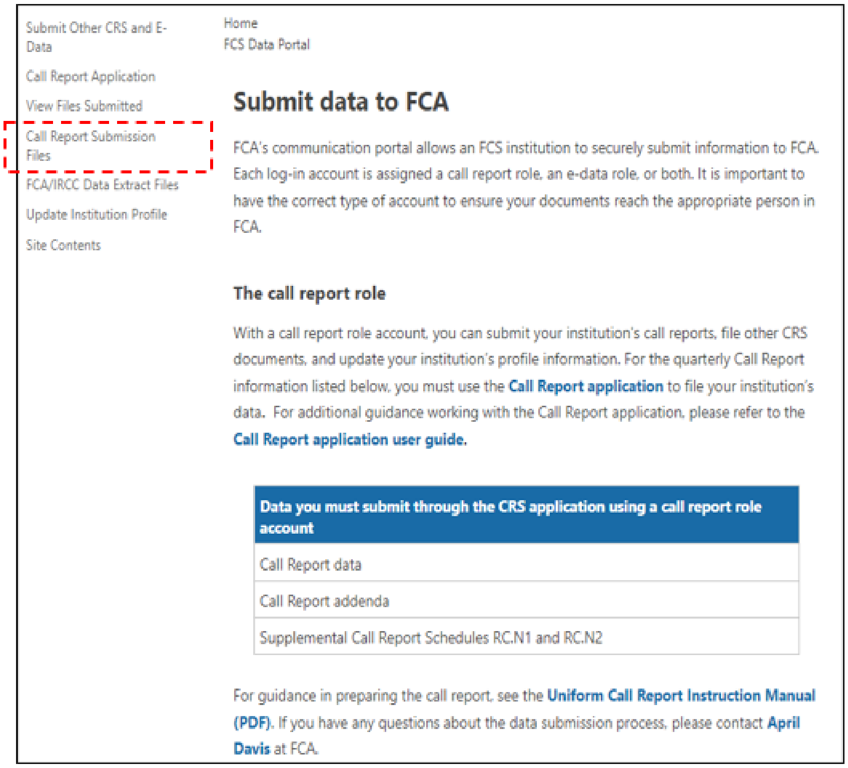
- In the "Attachments" area, "Click here to attach a file", select your file and click to attach and upload, then click "Submit".



Please be sure to enter each line in the Submit Data to FCA for the CRS and E-Data appropriately with the Submission Type, Category, Report Date, and Comment as necessary. Make sure a file is attached with each submission. Identify all CRS files with the institution Uninum – the System Code, District Code and Association Code.

"View Files Submitted" will allow you to view all the CRS and E-Data files submitted from your institution.

Call Report Submission Files



Submit Other CRS and E-Data
Call Report Application
View Files Submitted
Call Report Submission Files
FCA/IRCC Data Extract Files
Update Institution Profile
Site Contents

Home
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Submit data to FCA

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The call report role

With a call report role account, you can submit your institution's call reports, file other CRS documents, and update your institution's profile information. For the quarterly Call Report information listed below, you must use the **Call Report application** to file your institution's data. For additional guidance working with the Call Report application, please refer to the **Call Report application user guide.**

Data you must submit through the CRS application using a call report role account
Call Report data
Call Report addenda
Supplemental Call Report Schedules RC.N1 and RC.N2

For guidance in preparing the call report, see the **Uniform Call Report Instruction Manual (PDF)**. If you have any questions about the data submission process, please contact **April Davis** at FCA.

Call report submission files

Farm Credit System institutions are to use the following files when preparing call reports to submit to FCA. When the reports are complete, go to the data portal to submit data to FCA.

For guidance for preparing reports, see the Uniform Call Report Instruction Manual (PDF). For guidance for submitting reports, see how to submit data to FCA. If you have any questions about preparing or submitting reports, contact April Davis at FCA.

All Documents   Find a file

Name	Title	Modified
Category : Call Report Submission Files (4)		
Appendix D	Appendix D-Notice of Correction to Call Report or Young, Beginning, and Small Farmers and Ranchers (YBS) Report	June 24, 2020
CRS_User_Guide	CRS User Guide	Yesterday at 2:37 PM
GovtGuaranteedLoans v1.0.1	Supplemental Addendum-Government-Guaranteed Loans	September 29, 2020
UCR Call Report Instructions	March 31, 2023 Uniform Call Report Instructions	June 29, 2023
Category : YBS Files (3)		
2022_YBS_Quantitative	2022 YBS Quantitative (Access 2016)	December 19, 2022
2022_YBS_Quantitative2000-2003	2022 YBS Quantitative (Access 2000-2003)	December 19, 2022
YBS FAQs and Reporting Instructions 2022	YBS FAQs and Reporting Instructions December 2022	December 21, 2022

Call Report Submission files are Other Call Report files that are independent of the Call Report application.

Appendix D—Notice of Correction to Call Report and YBS Report

Notice of Correction to Call Report and Young, Beginning and Small Farmers and Ranchers (YBS) Report for the Period Ended _______

From:

Uninum:

Our institution has determined the following schedule(s) for the period stated above is incorrect. The correction(s) is identified below.

Schedule/YBS Loans	Line Item	Amount	
		Previously Reported	Correction

A full explanation of the circumstances surrounding adjustments and their effect on the presentation of the reporting institution's financial condition and performance must accompany each revised report. **When making revisions, submit an original of only those schedules that are being revised, with revisions highlighted**.

I hereby certify that this report of financial condition and performance has been prepared in accordance with all applicable regulations and instructions and is a true and accurate representation of this institution's financial condition and performance for the reporting period ended ___________________________.
.

Signature of Certifying Official _______________________

Title _______________________

Date Submitted _______________________

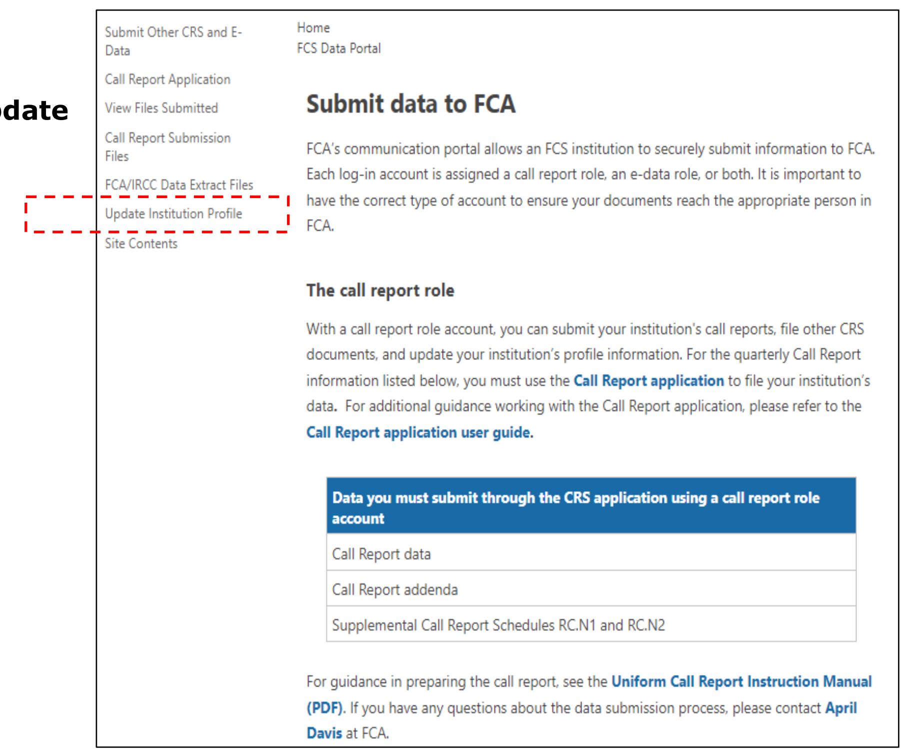
Appendix E—Instructions for updating institution profile and branch office directory

The FCA maintains an Institution Profile and a Branch Office Directory for the FCS institutions. The FCS institutions can update their Institution Profile and Branch Office Directory on an ongoing basis on the FCS Data Portal on the FCA website. FCS institutions should update their profile whenever information in their profile or branch office directory changes to ensure the accuracy of the data because it is used in several FCA applications, including the Lender Locator application on FCA's website. Institutions are required to review and update their profile at least once **every quarter**. Please make every effort to add the counties served by each branch during your quarterly review.

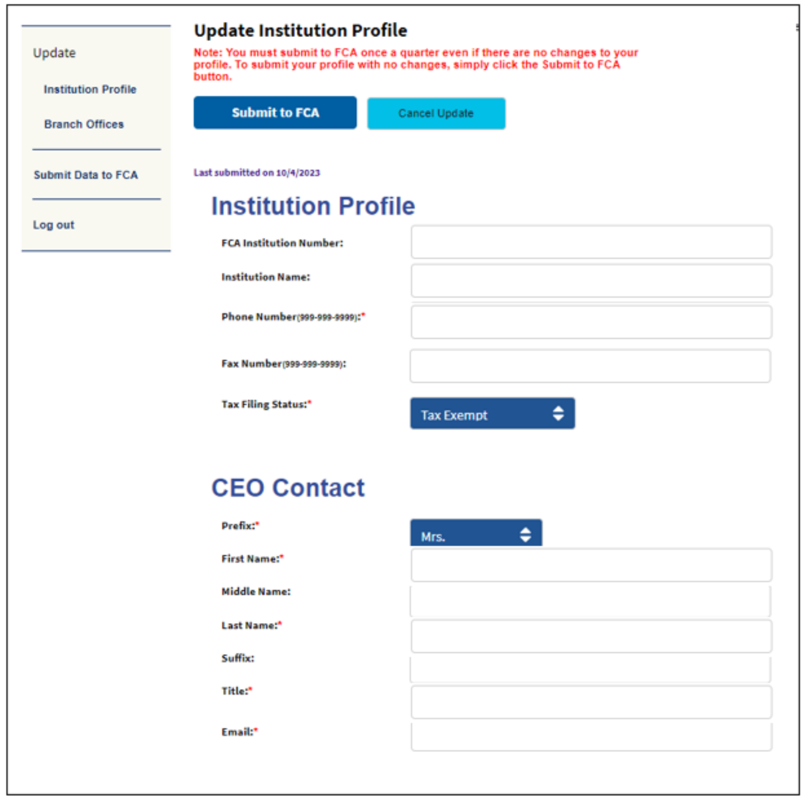
To Log-in to FCS Data Portal: (more detailed instructions are included in Appendix C)

- Go to FCA's website, www.fca.gov,
- select the "Submit to FCA"
- log-in to the secure data portal

1. After logging on click **"Update Institution Profile"**.



The image to the right provides an example of the input screens contained in the Update Institution Profile section.



The following is the complete list of Institution Profile information requested:

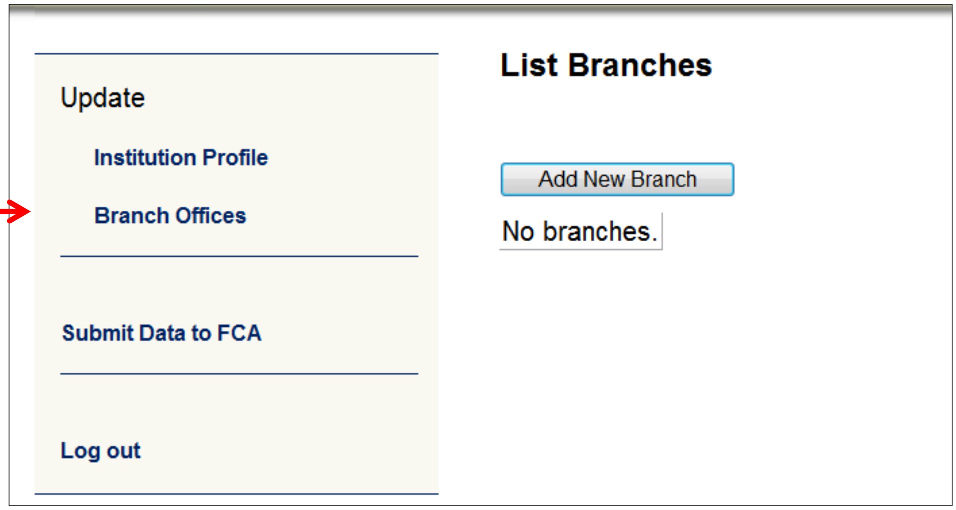
- Institution Profile
- CEO Contact
- Chairman of the Board Contact
- Audit Committee Chairman Contact
- CIO Contact
- CFO Contact
- YBS Contact
- Charter Address
- Institution Mailing Address
- Web/Internet Contacts
- Trade Names

Also, input fields will be pre-populated with the existing information in FCA's records.

As noted under the Charter Address field, **changes to Charter City and State must be made with a Charter application**; in other words, institutions must receive prior approval from FCA to move to a different City. Once the Institution Profile has been updated, click the "Submit to FCA" button. NOTE: Institution Profile changes can be made at any time but must be reviewed at least once a quarter. Institutions are required to **"Submit to FCA"** even if no changes are necessary.

If the Institution Profile has not been reviewed and updated, a message in red will appear on the bottom of the screen, **"Your institution profile has not been reviewed and verified recently. Please update your institution profile now!"** Institutions are required to review and update their Institution Profile at least once every quarter.

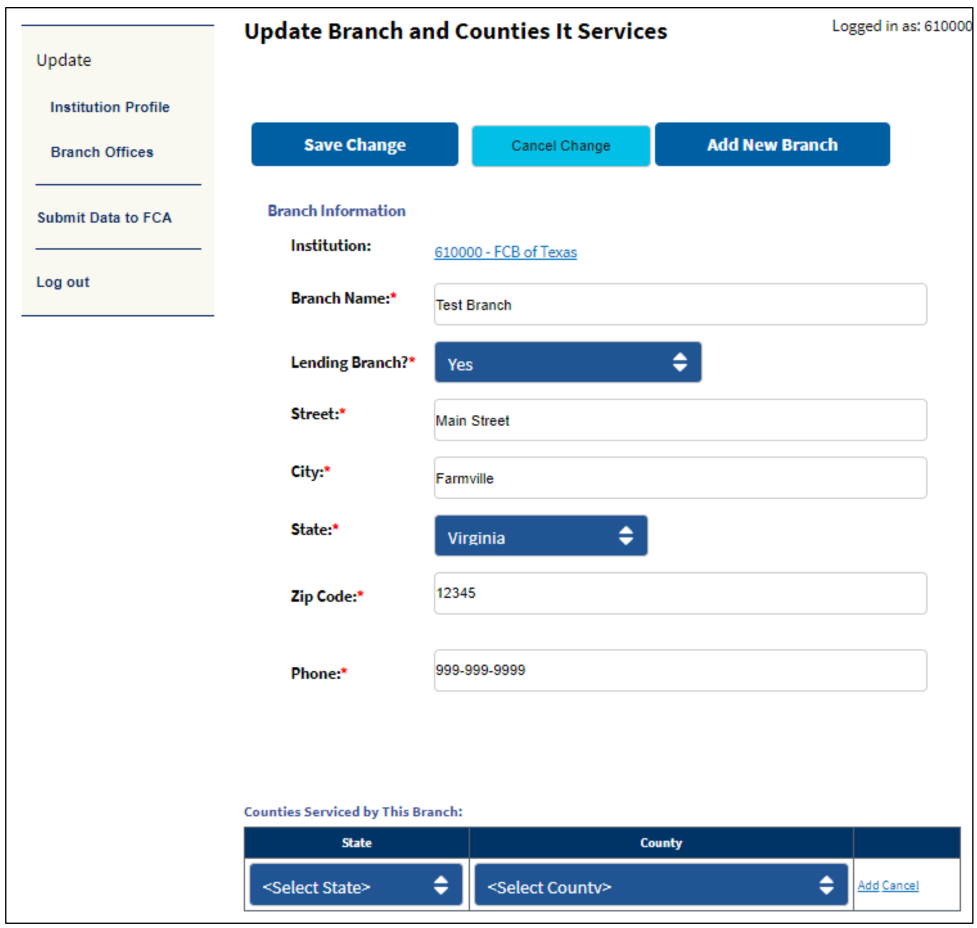
To update the Branch Office Directory, click “**Branch Office**”.



From this screen you can add a new branch or update information for an existing branch. If Lending Branch is “Yes”, an option to add Counties will appear at the bottom of the screen.

Be sure to save all changes before you exit the screen.

Once completed select “Submit Data to FCA”.



Glossary

The following definitions should be used in preparing reports of financial condition and performance to be filed with the Farm Credit Administration (FCA). Guidelines for applying the definitions follow some items. The guidelines are provided to help ensure consistency in the application of the definitions themselves.

Accrual basis of accounting. The accounting method in which expenses are recorded when incurred, whether paid or unpaid, and income is recorded when earned, whether received or not received.

Act. "Act" means the Farm Credit Act of 1971, as amended, 12 U.S.C. 2001, et seq.

Adequately secured. A loan shall be considered adequately secured by either or both:

1. Collateral in the form of a perfected security interests in, or pledges of, real and/or personal property (including securities with an estimable value) having a net realizable value sufficient to repay the loan's outstanding principal and accrued interest.

2. The guarantee by a financially responsible party in an amount sufficient to repay the loan's outstanding principal and accrued interest.

Acquisition method. Under the acquisition method, the acquirer in a business combination shall measure the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at their acquisition-date fair values (with limited exceptions specified in ASC Topic 805 Business Combinations) using the definition of fair value in ASC Topic 820, Fair Value Measurement.

The acquisition date is generally the date on which the acquirer legally transfers the consideration, acquires the assets, and assumes the liabilities of the acquiree, i.e., the closing date. ASC Topic 805 requires the acquirer to measure acquired receivables, including loans, at their acquisition-date fair values. Under ASC Topic 326 Financial Instrument—Credit Loss, an institution is required to determine whether any acquired financial assets meet the definition of a purchased credit-deteriorated (PCD) asset. For a financial asset that meets the definition of a PCD asset, the institution applies the gross-up approach and records the acquired financial asset at its purchase price plus acquisition-date allowance for credit losses, which establishes the initial amortized cost basis of the PCD asset.

For acquired financial assets that are not PCD assets, the acquirer records the purchased financial assets at their acquisition-date fair values. Additionally, for those acquired financial assets within the scope of ASC Subtopic 326-20 that are not PCD financial assets, an allowance is initially recorded with a corresponding charge to the provision for credit losses expense in the reporting period that includes the acquisition date. (Definition from the FFIEC Call Report instructions Glossary)

Adjusted allowances for credit losses (AACL). Valuation allowances that have been established through a charge against earnings or retained earnings for expected credit losses on financial assets measured at amortized cost and a lessor's net investment in leases that have been established to reduce the amortized cost basis of the assets to amounts expected to be collected as determined in accordance with GAAP. For purposes of Part 628.2, adjusted allowances for credit losses includes allowances for expected credit losses on off-balance sheet credit exposures not accounted for as insurance as determined in accordance with GAAP.

Adjusted allowances for credit losses excludes allowances created that reflect credit losses on purchased credit deteriorated assets and available-for-sale debt securities. (Definition from Part 628.2 as amended by the CECL Final Rule)

Amortized Cost Basis. The amortized cost basis is the amount at which a financing receivable or investment is originated or acquired, adjusted for applicable accrued interest, accretion, or amortization of premium, discount, and net deferred fees or costs, collection of cash, write-offs, foreign exchange, and fair value hedge accounting adjustments. (Pending Content; see Transition Guidance 326-10-65-1)

Associations. Refers to Agricultural Credit Associations, Federal Land Bank Associations, Production Credit Associations, and Federal Land Credit Associations.

Available-for-Sale Securities. Investments not classified as either trading securities or as held-to-maturity securities. (Definition as used in Topic 320)

Bankruptcy. A loan shall be considered in bankruptcy if the reporting institution has received notice that a petition has been filed with a court of competent jurisdiction by or against the borrower under any chapter of the Federal Bankruptcy Act or similar state statute. A loan shall remain "in bankruptcy" for reporting purposes until the court's jurisdiction is terminated or relief from the automatic stay is granted that permits collection to proceed fully, and a detailed analysis of the loan supports a reclassification. Such analysis shall consider all pertinent factors and shall be well documented.

Board. "Board" means the Farm Credit Administration Board.

Borrowing entity. The individual(s), partnership, joint venture, trust, corporation, or other business entity, or any combination thereof, which is primarily obligated on the loan agreement.

Business Combinations. A transaction or other event in which an acquirer obtains control of one or more businesses. Transactions sometimes referred to as true mergers or mergers of equals also are business combinations (Definition as used in Topic 805). ASC Topic 805 requires that all business combinations, which are defined as the acquisition of assets and assumption of liabilities that constitute a business, be accounted for using the acquisition method of accounting.

Carrying value. With respect to an asset, the value of the asset of the balance sheet of the System institution determined in accordance with GAAP. For all assets other than available-for-sale debt securities or purchased credit deteriorated assets, the carrying value is not reduced by any associated credit loss allowance that is determined in accordance with GAAP**.** (Definition from § 628.2 as amended by the CECL Final Rule)

Consolidation. Creation of one new organizational entity from two or more existing entities or parts thereof.

Contractually past due. A loan shall be considered contractually past due when any principal repayment or interest payment required by the loan instrument is not received on or before the due date. A loan shall remain contractually past due until it is formally restructured, or until the entire amount past due, including principal, accrued interest, and penalty interest incurred by virtue of past due status, is collected, or otherwise discharged in full.

Guidelines: Loan payments shall be considered contractually past due as of:

1. The day the scheduled repayment of principal is required but the amount due is not paid on or before that date.

2. The day scheduled interest payments are required but the interest is not paid on or before that date.

Demand loans and loans on which a call feature has been activated shall be considered past due as of the date that any portion, or all, of the outstanding principal and/or accrued interest has been demanded or otherwise called but not collected. The due date for these loans shall be considered the earliest date of demand or call regardless of the amount or the specification of an exact amount in the demand or call. For reporting purposes, the act of calling or demanding a loan shall be considered as superseding all future contractual due dates. However, it shall not supersede or otherwise cancel past contractual due dates for which partial amounts that were contractually due and required by the lender have not been collected. Loans falling into this category shall be monitored and reported against both:

1. The dates they were demanded or called; and

2. All other contractual due dates falling prior to the date of demand or call for which the amounts due by the lender were not collected.

For reporting purposes, amounts shall be considered past due even though the exact amount(s) due and/or dates are not specified in the lending agreement or incorporated by reference but have been agreed upon between the lender and borrowing entity. This applies to principal and interest.

Cooperative. "Cooperative" means any association of farmers, ranchers, producers or harvesters of aquatic products, or any federation of such associations, or a combination of such associations and farmers, ranchers, or producers or harvesters of aquatic products which is operated on a cooperative basis; or is engaged in processing, preparing for market, handling, or marketing farm or aquatic products; or purchasing, testing, grading, processing, distributing, or furnishing farm or aquatic supplies; or furnishing farm or aquatic business or other services to eligible farmers, ranchers, producers or harvesters of aquatic products or eligible cooperatives.

Cooperative basis. Conduct of the business for the mutual benefit of the members as patrons.

Cooperative member. Person having stock or other ownership interest in a cooperative and who acquires membership under its bylaws.

Debt Security. Any security representing a creditor relationship with an entity. The term debt security also includes all of the following:

a. Preferred stock that by its terms either must be redeemed by the issuing entity or is redeemable at the option of the investor
b. A collateralized mortgage obligation (or other instrument) that is issued in equity form but is required to be accounted for as a nonequity instrument regardless of

how that instrument is classified (that is, whether equity or debt) in the issuer's statement of financial position

c. U.S. Treasury securities
d. U.S. government agency securities
e. Municipal securities
f. Corporate bonds
g. Convertible debt
h. Commercial paper
i. All securitized debt instruments, such as collateralized mortgage obligations and real estate mortgage investment conduits
j. Interest-only and principal-only strips.

The term debt security excludes all of the following:

a. Option contracts
b. Financial futures contracts
c. Forward contracts
d. Lease contracts
e. Receivables that do not meet the definition of security and, so, are not debt securities, for example:

    1. Trade accounts receivable arising from sales on credit by industrial or commercial entities
    2. Loans receivable arising from consumer, commercial, and real estate lending activities of financial institutions (Definition as used in Topic 320).

Equity Security. Any security representing an ownership interest in an entity (for example, common, preferred, or other capital stock) or the right to acquire (for example, warrants, rights, forward purchase contracts, and call options) or dispose of (for example, put options and forward sale contracts) an ownership interest in an entity at fixed or determinable prices. The term equity security does not include any of the following:

a. Written equity options (because they represent obligations of the writer, not investments)
b. Cash-settled options on equity securities or options on equity-based indexes (because those instruments do not represent ownership interests in an entity)
c. Convertible debt or preferred stock that by its terms either must be redeemed by the issuing entity or is redeemable at the option of the investor (Definition as used in Topic 321).

Fair Value. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (Definition as used in Topic 326)

Fair Value Hierarchy. ASC Topic 820 Fair Value Measurement establishes a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value in order to increase consistency and comparability in fair value measurements and related disclosures. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). See "Level 1 Inputs," "Level 2 Inputs," and "Level 3 Inputs."

Farm Credit System institutions. All institutions chartered and supervised by the Farm Credit Administration, including the Farm Credit Banks, Federal Land Bank Associations, Federal Land Credit Associations, Production Credit Associations, Agricultural Credit Associations, Agricultural Credit Banks, and service organizations chartered under title IV, part D, of the Act[1].

FCA. "FCA" means the Farm Credit Administration.

Financial Asset. Cash, evidence of an ownership interest in an entity, or a contract that conveys to one entity a right to do either of the following:

a. Receive cash or another financial instrument from a second entity
b. Exchange other financial instruments on potentially favorable terms with the second entity. (Definition as used in Topic 805)

Foreclosure. A loan shall be considered in foreclosure if the lender has authorized initiation of proceedings under state law or deed of trust to terminate the borrower's right in any property in which the lender has a security interest. If the lender has received notice that a third party has initiated proceedings under state law or deed of trust to terminate the borrower's right in any property in which the lender has a security interest, the lender shall promptly review the potential impact of the third party actions and classify the loan accordingly. The review shall consider all pertinent factors and the classification shall be well documented in the loan file.

Generally accepted accounting principles (GAAP). The body of conventions, rules, and procedures necessary to define accepted accounting practice at a particular time, as promulgated by the Financial Accounting Standards Board and other authoritative sources recognized as setting standards for the accounting profession in the United States. Generally accepted accounting principles shall include not only broad guidelines of general application but also detailed practices and procedures that constitute standards against which financial presentations are evaluated.

Generally accepted auditing standards (GAAS). The standards and guidelines adopted by the Auditing Standards Board of the American Institute of Certified Public Accountants to govern the overall quality of audit performance.

Held-to-maturity securities. Investments in debt securities shall be classified as held-to-maturity only if the reporting entity has the positive intent and ability to hold those securities to maturity. (Definition as used in Topic 320)

Holding Gain or Loss. The net change in fair value of a security. The holding gain or loss does not include dividend or interest income recognized but not yet received, write-offs, or the allowance for credit losses. (Pending Content; see Transition Guidance 326-10-65-1)

In process of collection. A loan is considered to be in the process of collection only if collection or loan servicing efforts are proceeding in due course and are reasonably expected to result in the recovery of the loan's principal balance, accrued interest, and penalties or

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[1] Change made effective December 15, 1999

reinstatement of the loan to current status within a reasonable time period. For example, we would not expect loans that are 90 days or more past due to be transferred to nonaccrual if full collection of principal and interest, including further accruals of interest, is expected within a reasonable time frame consistent with the definition of *in the process of collection*.

Institution. Any bank, association, or service organization chartered under the Farm Credit Act of 1971, as amended, including the Federal Farm Credit Banks Funding Corporation and Farm Credit System Financial Assistance Corporation.

Level 1 Inputs. Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date. See "Fair Value Hierarchy."

Level 2 Inputs. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. See "Fair Value Hierarchy."

Level 3 Inputs. Unobservable inputs for the asset or liability. See "Fair Value Hierarchy."

Loan. Any extension of credit or lease resulting from direct negotiations between a lender and a borrowing entity that is recorded as an asset of a reporting institution. The term "loan" includes loans, contracts of sale, notes receivable, and other similar obligations and lease financings. The term "loan" includes but is not limited to: (1) loans originated through direct negotiations between the reporting institution and a borrowing entity; (2) purchased loans or interests in loans, including participation interests, retained subordinated participation interests in loans sold, and interests that are held in lieu of loans sold; (3) contracts of sale; notes receivable; and (4) other similar obligations and lease financing.

Loan participation. A fractional undivided interest in the principal amount of a loan that is sold by a lead lender to a participating institution in accordance with the requirements of 614.4330 of the FCA regulations. The term "loan participation" does not include a subordinated participation interest.

Loss. Loans on which all or any portion is deemed uncollectible.

Material. The term "material" means the magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.

Merger. See "Business Combinations."

Net realizable value. The net amount the lender would expect to be realized from the acquisition and subsequent sale or disposition of a loan's underlying collateral. Generally, net realizable value is equal to the estimated selling price in the ordinary course of business, less estimated costs of acquisition, completion, and disposal. Holding costs are considered to be period costs and are, therefore, not included in the determination of net realizable value.

Nonaccrual loans. A loan shall be considered nonaccrual if there is a known risk to the continued collection of principal or interest. Although several factors may be used to identify a known collection risk, the following three conditions always present a known risk to collections:

1. The loan may or may not be past due but the institution has determined collection of the outstanding principal and interest, plus future interest accruals, over the full term of the loan is not expected because of a documented deterioration in the financial condition of the borrower.

2. The loan is 90 days or more past due and is not otherwise eligible to be categorized as a loan 90 days or more past due and still accruing interest. (This alternate category requires the loan to be 90 days or more past due, adequately secured, and in the process of collection.)

3. Legal action, including foreclosure or other forms of collateral conveyance, has been initiated to collect the outstanding principal and interest.

Normal risk of collectability. The ordinary risk inherent in the lending operation. Adversely classified loans shall be deemed to have more than a normal risk of collectability.

Other property owned. Any real or personal property, other than an interest-earning asset, that has been acquired as a result of full or partial liquidation of a loan, through foreclosure, deed in lieu of foreclosure, or other means.

Participation certificates. Evidence of investment in a bank or association to which all the rights and obligations of stock attach with the exception of the right to vote in the affairs of the institution.

Purchased Financial Assets with Credit Deterioration. Acquired individual financial assets (or acquired groups of financial assets with similar risk characteristics) that as of the date of acquisition have experienced a more-than-insignificant deterioration in credit quality since origination, as determined by an acquirer's assessment. See paragraph 326-20-55-5 for more information on the meaning of similar risk characteristics for assets measured on an amortized cost basis. (Pending Content; see Transition Guidance 326-10-65-1)

Regulatory accounting practices (RAP). "Regulatory accounting practices (RAP)" means those accounting methods and practices directed by statutory and regulatory requirements that are not in accordance with GAAP.

Reporting date. The last calendar day of the reporting period. "As of reporting date" means at the close of business on the reporting date. If the reporting date is not a business day, "as of reporting date" means at the close of business on the last business day before the reporting date. Unless otherwise specified, reporting dates are March 31, June 30, September 30, and December 31.

Reporting period. The 3-month period ending with the reporting date. Items reported for the reporting period refer to the 3 months to date only.

Rule of aggregation of loans. When one loan of a borrower is placed in nonaccrual status, an institution must immediately evaluate whether any loans to that borrower, or related borrowers, should also be placed in nonaccrual status. Specifically:

1. All loans on which a borrowing entity, or a component of a borrowing entity, is primarily obligated to the reporting institution shall be considered as one loan, unless a review of all pertinent facts supports a reasonable determination that a

particular loan constitutes an independent credit risk. This determination must be adequately documented in the loan file.

2. It is determined that the borrower's other loans with the institution do not represent an independent credit risk and full collection of such loans is not expected, then all of the borrower's loans must be aggregated and classified as nonaccrual.

3. If it is determined that the borrower's loans with the institution do represent an independent credit risk, and are fully collectible, then they may remain in their current performance category.

4. When the institution becomes aware that a borrower has a nonaccrual loan with any other lender, the institution must reevaluate the credit risk in its loan(s) to that borrower and determine if an independent credit risk exists.

Subordinated participation interest. An interest in a loan that bears the first risk of loss, including the retention of such an interest when a loan is sold to a pooler certified by the Federal Agricultural Mortgage Corporation pursuant to title VIII of the Act, or an interest in a pool of subordinated participation interests purchased to satisfy the requirements of title VIII of the Act with respect to a loan sold to such a certified pooler.

System. "System" means the Farm Credit System organized and operating in accordance with the Act.

(Applicable to Farmer Mac only)

The following additional definitions should be used by the Federal Agricultural Mortgage Corporation (Farmer Mac) in preparing reports of financial condition and performance (Call Reports) to be filed with the Farm Credit Administration (FCA). These definitions are intended to supplement those definitions currently contained in the FCA Uniform Call Report instructions.

Farmer Mac I Program. This term refers to Farmer Mac's activities of guaranteeing securities which are backed by qualified loans under section 8.0(9)(A) of the Act.

Farmer Mac II Program. This term refers to Farmer Mac's activities of guaranteeing securities which are backed by qualified loans under section 8.0(9)(B) of the Act.

Linked portfolio. Refers to any securities purchased and held by Farmer Mac under the authority provided to Farmer Mac in section 8.6(g) of the Act.

New Issues. The amount of new Farmer Mac securities that were issued during the calendar quarter.

Number of loans backing Farmer Mac securities. This term refers to the number of qualified loans with unpaid principal balances backing the securities outstanding at the end of the calendar quarter.

Retirements. The amount of principal reductions of Farmer Mac securities during the quarter. Principal may be reduced due to scheduled principal payments, principal prepayments, loans that were liquidated, or pooler replacement or repurchase of defective loans.

Total Farmer Mac securities outstanding. This term refers to the number of pools of qualified loans that are outstanding at the end of the reporting per