

## SCHEDULE RC-K – QUARTERLY AVERAGES

### General Instructions

Report for the items on this schedule the average of the balances as of the close of business for each day for the calendar quarter or an average of the balances as of the close of business on each Wednesday during the calendar quarter. For days that an office of the bank (or any of its consolidated subsidiaries or branches) is closed (e.g., Saturdays, Sundays, or holidays), use the amount outstanding from the previous business day. An office is considered closed if there are no transactions posted to the general ledger as of that date.

If the reporting institution was the acquirer in a business combination accounted for under the acquisition method for which the acquisition date was during the calendar quarter, the quarterly averages for the reporting institution should include in the numerator:

- Dollar amounts for the reporting institution for each day (or each Wednesday) from the beginning of the quarter until the acquisition date and
- Dollar amounts for the reporting institution and the acquired institution or business for each day (or each Wednesday) from the acquisition date through the end of the quarter

and should include in the denominator the number of days (or Wednesdays) in the entire quarter.

If the reporting institution was acquired in a transaction that became effective during the calendar quarter, retained its separate corporate existence, and elected to apply pushdown accounting in its separate financial statements (including the Consolidated Reports of Condition and Income), the quarterly averages for the reporting institution should include only the dollar amounts for each day (or each Wednesday) from the acquisition date to the end of the quarter in the numerator and the number of days (or Wednesdays) from the acquisition date through the end of the quarter in the denominator.

If the reporting institution was involved in a transaction between entities under common control that became effective during the calendar quarter and has been accounted for in a manner similar to a pooling of interests, the quarterly averages for the reporting institution should include dollar amounts for both the reporting institution and the institution or business that was combined in the transaction for each day (or each Wednesday) from the beginning to the end of the quarter in the numerator and the number of days (or Wednesdays) in the entire quarter in the denominator.

For further information on business combinations, pushdown accounting, and transactions between entities under common control, see the Glossary entry for "business combinations."

If the reporting institution began operating during the calendar quarter, the quarterly averages for the institution should include only the dollar amounts for the days (or Wednesdays) since the institution began operating in the numerator and the number of days (or Wednesdays) since the institution began operating in the denominator.

For all institutions, the loan categories specified in item 6 of this schedule correspond to the loan category definitions for Schedule RC-C, Part I, Loans and Leases.

Institutions should not deduct allowances for credit losses, if any, from the related amortized cost amounts when calculating quarterly averages for interest-bearing balances due from depository institutions, debt securities, federal funds sold and securities purchased under agreements to resell, loans, and lease financing receivables for Schedule RC-K, items 1 through 8 and Memorandum item 1. However, institutions should deduct allowances for credit losses from the related amortized cost amounts when calculating the quarterly average for total assets for Schedule RC-K, item 9.

**Item Instructions**

**Item No. Caption and Instructions**

**ASSETS**

- 1 **Interest-bearing balances due from depository institutions.** Report the quarterly average for interest-bearing balances due from depository institutions (as defined for Schedule RC, item 1.b, "Interest-bearing balances").
- 2 **U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities).** Report the quarterly average of the amortized cost of the bank's held-to-maturity and available-for-sale U.S. Treasury and U.S. Government agency and sponsored agency obligations (as defined for Schedule RC-B, items 1 and 2, columns A and C).
- 3 **Mortgage-backed securities.** Report the quarterly average of the amortized cost of the bank's held-to-maturity and available-for-sale mortgage-backed securities (as defined for Schedule RC-B, item 4, columns A and C).
- 4 **All other debt securities and equity securities with readily determinable fair values not held for trading.** Report the quarterly average of the amortized cost of the institution's held-to-maturity and available-for-sale debt securities issued by states and political subdivisions in the U.S., asset-backed securities and structured financial products, and other debt securities (as defined for Schedule RC-B, items 3, 5, and 6, columns A and C) plus the quarterly average of the fair value of the institution's investments in mutual funds and other equity securities with readily determinable fair values not held for trading (as defined for Schedule RC, item 2.c).
- 5 **Federal funds sold and securities purchased under agreements to resell.** Report the quarterly average for federal funds sold and securities purchased under agreements to resell (as defined for Schedule RC, item 3).

**FFIEC 041 FFIEC 031**

**Item No. Item No. Caption and Instructions**

- 6 6 **Loans:**
- 6.a **Loans in domestic offices:**
- 6.a 6.a.(1) **Total loans (in domestic offices).** Report the quarterly average for total loans held for investment and held for sale (as defined for Schedule RC-C, part I, items 1 through 9, less item 11, column B).

## FFIEC 041 FFIEC 031

<u>Item No.</u>	<u>Item No.</u>	<u>Caption and Instructions</u>
6.b	6.a.(2)	<b><u>Loans secured by real estate:</u></b>
6.b.(1)	6.a.(2)(a)	<b><u>Loans secured by 1-4 family residential properties.</u></b> Report the quarterly average for loans secured by 1-4 family residential properties (in domestic offices) (as defined for Schedule RC-C, part I, item 1.c, column B).  <u>Exclude</u> “1-4 family residential construction loans” (in domestic offices) (as defined for Schedule RC-C, part I, item 1.a.(1), column B).
6.b.(2)	6.a.(2)(b)	<b><u>All other loans secured by real estate.</u></b> Report the quarterly average for all construction, land development, and other land loans; loans secured by farmland; loans secured by multifamily (5 or more) residential properties; and loans secured by nonfarm nonresidential properties (in domestic offices) (as defined for Schedule RC-C, part I, items 1.a.(1), 1.a.(2), 1.b, 1.d, 1.e.(1), and 1.e.(2), column B).  <u>Exclude</u> loans “Secured by 1-4 family residential properties” (in domestic offices) (as defined for Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b), column B).
-	6.a.(3)	<b><u>Loans to finance agricultural production and other loans to farmers.</u></b> Report the quarterly average for loans to finance agricultural production and other loans to farmers in domestic offices (as defined for Schedule RC-C, part I, item 3, column B).
6.c	6.a.(4)	<b><u>Commercial and industrial loans.</u></b> Report the quarterly average for commercial and industrial loans (in domestic offices) (as defined for Schedule RC-C, part I, item 4, column B).
6.d	6.a.(5)	<b><u>Loans to individuals for household, family, and other personal expenditures:</u></b>
6.d.(1)	6.a.(5)(a)	<b><u>Credit cards.</u></b> Report the quarterly average for credit cards. For purposes of this schedule, credit cards (in domestic offices) (as defined for Schedule RC-C, part I, item 6.a, column B).
6.d.(2)	6.a.(5)(b)	<b><u>Other.</u></b> Report the quarterly average for loans (in domestic offices) to individuals for household, family, and other personal expenditures other than credit cards (as defined for Schedule RC-C, part I, items 6.b, 6.c, and 6.d, column B).
-	6.b	<b><u>Total loans in foreign offices, Edge and Agreement subsidiaries, and IBFs.</u></b> Report the quarterly average for total loans, net of unearned income (as defined for Schedule RC-C, part I, items 1 through 9, less item 11), held in the reporting bank’s foreign offices, Edge and Agreement subsidiaries, and IBFs.

**FFIEC 031 and 041****Item No.    Caption and Instructions**

NOTE: Schedule RC-K, item 7, is to be completed by (1) banks that reported total trading assets of \$10 million or more in any of the four preceding calendar quarters and (2) all banks meeting the FDIC's definition of a large or highly complex institution for deposit insurance assessment purposes.

- 7        **Trading assets.** Report the quarterly average for trading assets (as defined for Schedule RC, item 5). Trading assets include trading derivatives with positive fair values.
- 8        **Lease financing receivables (net of unearned income).** Report the quarterly average for the lease financing receivables, net of unearned income (as defined for Schedule RC-C, part I, item 10, column B, on the FFIEC 041; column A on the FFIEC 031).
- 9        **Total assets.** Report the quarterly average for the bank's total assets, as defined for "Total assets," on Schedule RC, item 12, except that this quarterly average should reflect:
- All debt securities not held for trading at amortized cost;
  - Equity securities with readily determinable fair values not held for trading at fair value; and
  - Equity securities and other equity investments without readily determinable fair values not held for trading at their balance sheet carrying values (i.e., fair value or, if elected, cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer).
- This exception for equity securities and other equity investments does not apply to those accounted for under the equity method or that result in consolidation.

In addition, to the extent that net deferred tax assets included in the bank's total assets, if any, include the deferred tax effects of any unrealized holding gains and losses on available-for-sale debt securities, these deferred tax effects may be excluded from the determination of the quarterly average for total assets. If these deferred tax effects are excluded, this treatment must be followed consistently over time.

This item 9 is not the sum of Schedule RC-K, items 1 through 8, above.

**Item No.    Caption and Instructions****LIABILITIES**

- 10**        **Interest-bearing transaction accounts (in domestic offices).** Report the quarterly average for interest-bearing transaction accounts (in domestic offices): interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts (as defined for Schedule RC-E, (part I,) column A, "Total transaction accounts").

Exclude noninterest-bearing demand deposits.

See the Glossary entry for "deposits" for the definitions of "demand deposits," "NOW accounts," "ATS accounts," and "telephone or preauthorized transfer accounts."

**11**        **Nontransaction accounts (in domestic offices):**

- 11.a**       **Savings deposits.** Report the quarterly average for savings deposits (as defined for Schedule RC-E, (part I), Memorandum items 2.a.(1) and 2.a.(2)). Savings deposits include money market deposit accounts (MMDAs) and other savings deposits.

- 11.b**       **Time deposits of \$250,000 or less.** Report the quarterly average for time deposits of \$250,000 or less (as defined for Schedule RC-E, (part I), Memorandum items 2.b and 2.c).

- 11.c**       **Time deposits of more than \$250,000.** Report the quarterly average for time deposits of more than \$250,000 (as defined for Schedule RC-E, (part I,) Memorandum item 2.d).

**FFIEC 041    FFIEC 031****Item No.    Item No.    Caption and Instructions**

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| -  | 12 | <b><u>Interest-bearing deposits in foreign offices, Edge and Agreement subsidiaries, and IBFs.</u></b> Report the quarterly average for interest-bearing deposits in foreign offices, Edge and Agreement subsidiaries, and IBFs (as defined for Schedule RC, item 13.b.(2), "Interest-bearing"). |
| 12 | 13 | <b><u>Federal funds purchased and securities sold under agreements to repurchase.</u></b> Report the quarterly average for federal funds purchased and securities sold under agreements to repurchase (as defined for Schedule RC, item 14).   |

NOTE: On the FFIEC 041, item 13 is to be completed by banks that have \$100 million or more in total assets.

- 13**        **14**        **Other borrowed money.** Report the quarterly average for the fully consolidated bank's other borrowed money (as defined for Schedule RC, item 16).

**Memorandum****FFIEC 041****Item No.    Caption and Instructions**

NOTE: Memorandum item 1 is applicable only to banks filing the FFIEC 041 report. There are no Schedule RC-K memorandum items on the FFIEC 031.

**1            Loans to finance agricultural production and other loans to farmers.**

Memorandum 1 is to be completed by:

- banks with \$300 million or more in total assets, and
- banks with less than \$300 million in total assets and with loans to finance agricultural production and other loans to farmers (as reported in Schedule RC-C, part I, item 3, column B) exceeding five percent of total loans and leases held for investment and held for sale (Schedule RC-C, part I, item 12).

Report in this item the quarterly average for loans to finance agricultural production and other loans to farmers (as defined for Schedule RC-C, part I, item 3, column B).