

SCHEDULE RC-F -- OTHER ASSETS

General Instructions

Complete this schedule for the fully consolidated bank. Eliminate all intrabank transactions between offices of the consolidated bank.

Item Instructions

Item No. Caption and Instructions

- 1** **Accrued interest receivable.** Report the amount of interest earned or accrued on earning assets and applicable to current or prior periods that has not yet been collected.

Exclude retained interests in accrued interest receivable related to securitized credit cards (report in Schedule RC-F, item 5, "All other assets").

- 2** **Net deferred tax assets.** Report the net amount after offsetting deferred tax assets (net of valuation allowance) and deferred tax liabilities measured at the report date for a particular tax jurisdiction if the net result is a debit balance. If the result for a particular tax jurisdiction is a net credit balance, report the amount in Schedule RC-G, item 2, "Net deferred tax liabilities." If the result for each tax jurisdiction is a net credit balance, enter a zero or the word "none" in this item. (A bank may report a net deferred tax debit, or asset, for one tax jurisdiction, such as for federal income tax purposes, and also report at the same time a net deferred tax credit, or liability, for another tax jurisdiction, such as for state or local income tax purposes.)

For further information on calculating deferred taxes for different tax jurisdictions, see the Glossary entry for "income taxes."

- 3** **Interest-only strips receivable (not in the form of a security) on.** As defined in FASB Statement No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, an interest-only strip receivable is the contractual right to receive some or all of the interest due on a bond, mortgage loan, collateralized mortgage obligation, or other interest-bearing financial asset. This includes, for example, contractual rights to future interest cash flows that exceed contractually specified servicing fees on financial assets that have been sold. Report in the appropriate subitem interest-only strips receivable not in the form of a security that are measured at fair value like available-for-sale securities. Report unrealized gains (losses) on these interest-only strips receivable in Schedule RC, item 26.b, "Accumulated other comprehensive income."

Exclude from this item interest-only strips receivable in the form of a security, which should be reported as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate. Also exclude interest-only strips not in the form of a security that are held for trading, which should be reported in Schedule RC, item 5.

- 3.a** **Mortgage loans.** Report the fair value of interest-only strips receivable (not in the form of a security) on mortgage loans.
- 3.b** **Other financial assets.** Report the fair value of interest-only strips receivable (not in the form of a security) on financial assets other than mortgage loans.

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- 4 **Equity securities that do not have readily determinable fair values.** Report the historical cost of equity securities without readily determinable fair values. These equity securities are outside the scope of FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*. An equity security does not have a readily determinable fair value if sales or bid-and-asked quotations are not currently available on a securities exchange registered with the Securities and Exchange Commission (SEC) and are not publicly reported by the National Association of Securities Dealers Automated Quotations systems or the National Quotation Bureau. The fair value of an equity security traded only in a foreign market is not readily determinable if that foreign market is not of a breadth and scope comparable to one of the U.S. markets referenced above.

Equity securities that do not have readily determinable fair values may have been purchased by the reporting bank or acquired for debts previously contracted.

Include in this item:

- (1) Paid-in stock of a Federal Reserve Bank.
- (2) Stock of a Federal Home Loan Bank.
- (3) Common and preferred stocks that do not have readily determinable fair values, such as stock of bankers' banks and voting common stock of the Federal Agricultural Mortgage Corporation (Farmer Mac).
- (4) "Restricted stock," as defined in FASB Statement No. 115, i.e., equity securities for which sale is restricted by governmental or contractual requirement (other than in connection with being pledged as collateral), except if that requirement terminates within one year or if the holder has the power by contract or otherwise to cause the requirement to be met within one year.
- (5) Participation certificates issued by a Federal Intermediate Credit Bank, which represent nonvoting stock of the bank.
- (6) Minority interests held by the reporting bank in any company not meeting the definition of associated company, except minority holdings that indirectly represent bank premises (report in Schedule RC, item 6) or other real estate owned (report in Schedule RC, item 7), provided that the fair value of any capital stock representing the minority interest is not readily determinable. (See the Glossary entry for "subsidiaries" for the definition of associated company.)
- (7) Equity holdings in those corporate ventures over which the reporting bank does not exercise significant influence, except equity holdings that indirectly represent bank premises (report in Schedule RC, item 6) or other real estate owned (report in Schedule RC, item 7). (See the Glossary entry for "subsidiaries" for the definition of corporate joint venture.)

Exclude from this item:

- (1) Holdings of capital stock of and investments in unconsolidated subsidiaries, associated companies, and those corporate joint ventures over which the reporting bank exercises significant influence (report in Schedule RC, item 8, "Investments in unconsolidated subsidiaries and associated companies").

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4 (2) Preferred stock that by its terms either must be redeemed by the issuing enterprise or
(cont.) is redeemable at the option of the investor (report in Schedule RC-B, item 6, "Other debt securities").

5 **All other assets.** Report the amount of all other assets (other than those reported in Schedule RC-F, items 1, 2, 3, and 4, above) that cannot properly be reported in Schedule RC, items 1 through 10.

Disclose in items 5.a through 5.h each component of all other assets, and the dollar amount of such component, that is greater than \$25,000 and exceeds 25 percent of the amount reported for this item. For each component of all other assets that exceeds this disclosure threshold for which a preprinted caption has not been provided in items 5.a through 5.e, describe the component with a clear but concise caption in items 5.f through 5.h. These descriptions should not exceed 50 characters in length (including spacing between words).

Include as all other assets:

- (1) Prepaid expenses, i.e., those applicable as a charge against operations in future periods.¹ (Report the amount of prepaid expenses in Schedule RC-F, item 5.a, if this amount is greater than \$25,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 5.)
- (2) Cash surrender value of life insurance policies for which the bank is the beneficiary. (Policies acquired after November 14, 1985, should be reported at the amount that could be realized under the insurance contracts as of the report date. For further information, see FASB Technical Bulletin No. 85-4.) (Report the amount of cash surrender value in Schedule RC-F, item 5.b, if this amount is greater than \$25,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 5.)
- (3) Automobiles, boats, equipment, appliances, and similar personal property repossessed or otherwise acquired for debts previously contracted. (Report the amount of repossessed personal property in Schedule RC-F, item 5.c, if this amount is greater than \$25,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 5.)
- (4) Derivative instruments that have a positive fair value that the bank holds for purposes other than trading. For further information, see the Glossary entry for "derivative contracts." (Report this positive fair value in Schedule RC-F, item 5.d, if this amount is greater than \$25,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 5.)
- (5) Retained interests in accrued interest receivable related to securitized credit cards. For further information, see the Glossary entry for "accrued interest receivable related to credit card securitizations." (Report the amount of these retained interests in Schedule RC-F, item 5.e, if this amount is greater than \$25,000 and exceeds 25 percent of the amount reported in Schedule RC-F, item 5.)
- (6) Accrued interest on securities purchased (if accounted for separately from "accrued interest receivable" in the bank's records).

¹ For banks involved in insurance activities, examples of prepaid expenses include ceding fees and acquisition fees paid to insurance carriers external to the consolidated bank.

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(cont.)
- (7) Cash items not conforming to the definition of "Cash items in process of collection" found in the instruction to Schedule RC, item 1.a.
 - (8) Credit or debit card sales slips in process of collection until the reporting bank has been notified that it has been given credit (report thereafter in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and, if applicable, in Schedule RC-A, item 2, "Balances due from depository institutions in the U.S.," or item 3, "Balances due from banks in foreign countries and foreign central banks," as appropriate).
 - (9) Purchased computer software, net of accumulated amortization, and unamortized costs of computer software to be sold, leased, or otherwise marketed capitalized in accordance with the provisions of FASB Statement No. 86.
 - (10) Bullion (e.g., gold or silver) not held for trading purposes.
 - (11) Original art objects, including paintings, antique objects, and similar valuable decorative articles (report at cost unless there has been a decline in value, judged to be other than temporary, in which case the object should be written down to its fair value).
 - (12) Securities or other assets held in charitable trusts (e.g., Clifford Trusts).
 - (13) Cost of issuing subordinated notes and debentures, net of accumulated amortization.
 - (14) Furniture and equipment rented to others under operating leases, net of accumulated depreciation.
 - (15) Ground rents.
 - (16) Customers' liability for deferred payment letters of credit.
 - (17) Reinsurance recoverables from reinsurers external to the consolidated bank.
 - (18) "Separate account assets" of the reporting bank's insurance subsidiaries.

Exclude from all other assets:

- (1) Redeemed U.S. savings bonds and food stamps (report in Schedule RC, item 1.a, "Noninterest-bearing balances and currency and coin," and, if applicable, in Schedule RC-A, item 1, "Cash items in process of collection, unposted debits, and currency and coin").
- (2) Real estate owned or leasehold improvements to property intended for future use as banking premises (report in Schedule RC, item 6, "Premises and fixed assets").
- (3) Accounts identified as "building accounts," "construction accounts," or "remodeling accounts" (report in Schedule RC, item 6, "Premises and fixed assets").

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- 5** (4) Real estate acquired in any manner for debts previously contracted (including, but not limited to, real estate acquired through foreclosure and real estate acquired by deed in lieu of foreclosure), even if the bank has not yet received title to the property, and real estate collateral underlying a loan when the bank has obtained physical possession of the collateral, regardless of whether formal foreclosure proceedings have been instituted against the borrower (report as "All other real estate owned" in Schedule RC-M, item 3.b).
- (5) Due bills representing purchases of securities or other assets by the reporting bank that have not yet been delivered (report as loans in Schedule RC-C).
- (6) Factored accounts receivable (report as loans in Schedule RC-C).
- 6** **Total.** Report the sum of items 1 through 5. This amount must equal Schedule RC, item 11, "Other assets."