

which are included in Schedule RC-B, Items 4(a)(1) through 4(a)(3).

The reporting of these adjustable-rate pass-through securities by reset frequency depends upon the institution's asset concentration level and is requested in the Memoranda Section of this schedule as well as in Schedules 3 and 4.

Item 1(b), Fixed-Rate Mortgage Securities: Report the carrying value of all fixed-rate mortgage-backed pass-through certificates, such as those guaranteed by the Government National Mortgage Association (GNMA) and those issued by the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and others (e.g., other depository institutions or insurance companies) which are included in Schedule RC-B, Items 4(a)(1) through 4(a)(3).

Item 1(c), All Other Amortizing Securities: Report the carrying value of all other debt securities (not reported in Items 1(a) and 1(b) above) which have regularly scheduled principal amortization more frequently than on an annual basis, exclude amortizing securities which require a balloon payment of 25 percent or more of the original principal at maturity. This may include:

(1) U.S. Government agency and corporation obligations reported in Schedule RC-B, Item 2(a) and 2(b).

(2) Securities issued by states and political subdivisions in the U.S. reported in Schedule RC-B, Items 3(a) through 3(c).

(3) Other debt securities reported in Schedule RC-B, Item 5, including home equity loan-backed securities (and the appropriate subitems on the FFIEC 031, 032, and 033 report forms).

Exclude from all other amortizing securities:

(1) All equity securities reported in Schedule RC-B, Items 6(a) through 6(c).

(2) Zero- or low-coupon (3 percent or less) securities (report in Item 1(e) below).

(3) All debt securities which are on nonaccrual status.

(4) All structured notes (include in Item 8 of the self-reported items below).

(5) All "high-risk" mortgage securities (include in Item 6 of the self-reported items below.)

(6) CMO and REMIC holdings. If CMO and REMIC holdings exceed 10% of total assets, they must be included in Items 6 or 7 of the self-reporting section below. For holdings of 10% or less of assets, an institution may elect to report these balances in the non-amortizing section based on bank management's

estimate of the instrument's current average life.

Item 1(d), Non-Amortizing Securities: Report all debt securities with coupons greater than 3 percent that have either:

(1) regularly scheduled principal payments less frequently than on an annual basis, or (2) full repayment of principal at maturity. Also reported in this item are amortizing securities which require a balloon payment of 75 percent or more of the original principal at maturity. Non-amortizing securities may include:

(1) U.S. Treasury securities reported in Schedule RC-B, Item 1.

(2) U.S. Government agency and corporation obligations reported in Schedule RC-B, Items 2(a) and 2(b).

(3) Securities issued by states and political subdivisions in the U.S. reported in Schedule RC-B, Items 3(a) through 3(c).

(4) CMOs and REMICs reported in Schedule RC-B, Items 4(b)(1) through 4(b)(3) if the institution is not required or does not elect to self-report the estimated changes in the market values of these instruments for a 200 basis point increase and decrease in interest rates. Institutions should not report CMO and REMIC holdings in this item if these exceed 10% of total assets. If CMOs and REMIC holdings exceed 10% of total assets, they must be included in the self-reporting section below.

(5) Other debt securities reported in Schedule RC-B, Item 5 (and the appropriate subitems on the FFIEC 031, 032, and 033 report forms).

Exclude from non-amortizing securities:

(1) All equity securities reported in Schedule RC-B, Items 6(a) through 6(c).

(2) Zero- or low-coupon (3 percent or less) securities (report in Item 1(e) below).

(3) All debt securities which are on nonaccrual status.

(4) All structured notes (include in Item 8 of the self-reported items below).

(5) All "high-risk" mortgage securities (include in Item 6 of the self-reported items below).

(6) Non-high-risk mortgage securities that are included in the self-reported items below.

Item 1(e), Zero- or Low-Coupon Securities Report: On the basis of final maturity, all holdings of debt securities with coupon rates of 3 percent or less. Such holdings may include:

(1) U.S. Treasury securities reported in Schedule RC-B, Item 1, including all U.S. Treasury bills issued on a discount basis.

(2) U.S. Government agency and corporation obligations reported in Schedule RC-B, Items 2(a) and 2(b).

(3) Securities issued by states and political subdivisions in the U.S. reported in Schedule RC-B, Items 3(a) through 3(c).

(4) Other debt securities reported in Schedule RC-B, Item 5 (and the appropriate subitems on the FFIEC 031, 032, and 033 report forms).

Exclude from zero- or low-coupon securities:

(1) All equity securities reported in Schedule RC-B, Items 6(a) through 6(c).

(2) All debt securities which are on nonaccrual status.

(3) All structured notes (include in Item 8 of the self-reported items below).

(4) All "high-risk" mortgage securities (include in Item 6 of the self-reported items below).

Item 2, Loans and Leases: Loan amounts should be reported net of unearned income to the extent that they have been reported net of unearned income in Schedule RC-C.

The sum of Items 2(a), 2(b) and 2(c), Column A of this schedule, plus the amount of permanent loans secured by first liens on 1-4 family residential mortgages in nonaccrual status reported in Schedule RC-N, Column C, Memorandum Item 4(c)(2) on FFIEC 033 and 034, and Memorandum Item 3(c)(2) on FFIEC 031 and 032 must equal RC-C, Item 1(c)(2)(a).

Included in Items 2(c), 2(d) and 2(e) is information regarding both fixed- and adjustable-rate instruments.

Item 2(a), ARM Loans (use Memorandum section below): Report the total amount of permanent loans secured by first liens on 1-4 family residential mortgages that are included in RC-C, Item 1(c)(2)(a), which are subject to a floating or adjustable interest rate. Exclude from this item any loans in nonaccrual. Also exclude loans held for sale with firm commitments (report in Item 2(c) below).

The reporting of these items according to reset frequency depends on the institution's asset concentration level and is requested in the Memoranda section of this schedule as well as Schedules 3 and 4.

Item 2(b), Fixed-Rate Mortgage Loans: Report all permanent loans secured by first liens on 1-4 family residential mortgages included in RC-C, Item 1(c)(2)(a) that are subject to a fixed or predetermined interest rate on the basis of time remaining until their final contractual maturity. Exclude any loans in nonaccrual status. Also exclude loans held for sale with firm commitments (report in Item 2(c) below).

Item 2(c), Mortgage Loans Held for Sale with Firm Commitments: Report in this item the total amount of all outstanding loans secured by first liens