

**INSTRUCTIONS
FOR THE ADDENDUM TO THE
QUARTERLY REPORT OF CONDITION**

I. Fiduciary and Related Assets

Institutions should generally report fiduciary and related assets using their market value as of the report date. While market value quotations are readily available for marketable securities, many financial and physical assets held in fiduciary accounts are not widely traded or easily valued. If the methodology for determining market values is not set or governed by applicable law (including the terms of the prevailing fiduciary agreement), the institution may use any reasonable method to establish values for fiduciary and related assets for purposes of reporting on this schedule. Reasonable methods include appraised values, book values, or reliable estimates. Valuation methods should be consistent from reporting period to reporting period. This “reasonable method” approach to reporting market values applies both to financial assets that are not marketable and to physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods.

If two institutions are named co-fiduciary in the governing instrument, both institutions should report the account. In addition, where one institution contracts with another for fiduciary or related services (i.e. Institution A provides custody services to the trust accounts of Institution B, or Institution A provides investment management services to the trust accounts of Institution B) both institutions should report the accounts in their respective capacities.

Exclude unfounded insurance trust, testamentary executor appointments, and any other arrangements representing potential future fiduciary accounts.

Asset values reported on this schedule should generally exclude liabilities. For example, an employee benefit account with associated loans against account assets should be reported gross of the outstanding loan balances. As another example, an account with a real estate asset and corresponding mortgage loan should be reported gross of the mortgage liability. However, there are two exceptions. First for purposes of this schedule, overdrafts should be netted against gross fiduciary assets. Second, the fair value of derivative instruments, as defined in FASB Statement No. 133, should be included in (i.e., netted against) gross assets even if the fair value is negative.

Securities borrowing/lending transactions should be reflected as sales or as secured borrowings according to FASB Statement No. 140. A transferee (“borrower”) of securities

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Fiduciary and Related Assets (cont.)

generally is required to provide “collateral” to the transferor (“lender”) of securities. When such transactions do not qualify as sales, securities “lenders” and “borrowers” should account for the transactions as secured borrowings in which cash (or securities that the holder is permitted by contract or custom to sell or repledge) received as “collateral” by the securities “lender” is considered the amount borrowed and the securities “loaned” are considered pledged against the amount borrowed. For purposes of this schedule, securities held in fiduciary accounts that are “loaned” in securities lending transactions (that are accounted for as secured borrowings) should be reported as an asset of the fiduciary account that “loaned” the securities, but the “collateral” received should not also be reported as an asset of this fiduciary account.

In the Fiduciary and Related Assets section, the market value of Collective Investment Fund (CIF) units should be reported along with individual participant accounts in the Column and Item that corresponds to each participant. The aggregate amount of a CIF that is operated by an institution should NOT also be reported as a separate, additional account in the Fiduciary and Related Assets section of this schedule.

Managed Assets

Report the total market value of assets held in managed fiduciary accounts. An account should be categorized as managed if the institution has investment discretion. Investment discretion is defined as the sole or shared authority (whether or not that authority is exercised) to determine what securities or other assets to purchase or sell on behalf of the fiduciary related account. An institution that delegates its authority over investments and an institution that receives delegated authority over investments are BOTH deemed to have investment discretion. An entire account should be reported as either managed or non-managed based on the predominant responsibility of the reporting institution.

Non-Managed Assets

Report the total market value of assets held in non-managed fiduciary accounts. An account should be categorized as non-managed if the institution does not have investment discretion. Those accounts for which the institution provides a menu of investment options but the ultimate selection authority remains with the account holder or an external manager should be categorized as non-managed. For example, an institution that offers a choice of sweep vehicles is not necessarily exercising investment discretion. The process of narrowing investment options from a range of alternatives does not create a managed fiduciary account for the purposes of this schedule.

Number of Managed Accounts

Report the total number of managed fiduciary accounts.

Number of Non-Managed Accounts

Report the total number of non-managed fiduciary accounts.

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Item No. Caption and Instructions

- 1** **Personal trust and agency accounts.** Report the market value and number of accounts for all testamentary trusts, revocable and irrevocable living trusts, other personal trusts, and non-managed personal agency accounts. Include accounts in which the institution serves as executor, administrator, guardian, or conservator. Exclude personal investment management agency accounts, which should be reported in item 4. Also exclude Keogh Act plans, Individual Retirement Accounts (IRAs), and other pension or profit sharing plans for self-employed individuals which should be reported in item 2c. Personal accounts that are solely custody or safekeeping should be reported in item 7.
- 2** **Retirement related trust and agency accounts:**
- 2a** **Employee benefit – defined contribution.** Report the market value and number of accounts for all employee benefit defined contribution accounts in which the institution serves as either trustee or agent. Include 401(k) plans, 403(b) plans, profit-sharing plans, money purchase plans, target benefit plans, stock bonus plans, employee stock ownership plans, and thrift/savings plans. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in item 7.
- 2b** **Employee benefit – defined benefit.** Report the market value and number of accounts for all employee benefit defined benefit plans in which the institution serves as either trustee or agent. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in item 7.
- 2c** **Other retirement accounts.** Report the market value and number of accounts for all other retirement related fiduciary accounts in which the institution serves as trustee or agent. Include Keogh Act plans, Individual Retirement Accounts, and other pension or profit-sharing plans for self-employed individuals. Exclude accounts, originated by fiduciary or non-fiduciary personnel, that are solely administered to hold own-bank deposits. Also exclude those retirement accounts that are originated and managed through a brokerage account. Other retirement accounts that are solely custody and safekeeping accounts should be reported in item 7.
- 3** **Corporate trust and agency accounts.** Report the market value of assets held by the institution for all corporate trust and agency accounts. Report assets that are the responsibility of the institution to manage or administer in accordance with the corporate trust agreement. Include assets relating to unrepresented bonds or

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coupons relating to issues that have been called or matured. Do NOT report the entire market value of the associated securities or the outstanding principal of associated debt issues. Include accounts for which the institution is trustee for corporate securities, tax-exempt and other municipal securities, and other debt securities including unit investment trusts. Also include accounts for which the institution is dividend or interest paying agent, and any other type of corporate trustee or agent appointment. Accounts that are solely custodial or safekeeping should be reported in item 7.

- 4** **Investment management agency accounts.** Report the market value and number of accounts for all individual and institutional investment management agency accounts that are administered within the fiduciary area of the institution. Investment management agencies are those agency accounts in which the institution has investment discretion; however, title to the assets remain with the client. Include accounts in which the institution serves as a sub-advisor. Exclude investment management agency accounts that are administered in bank subsidiaries that are SEC registered investment advisors. Include those mutual funds that are advised by the fiduciary area that is a separately identifiable department or division (as defined in section 217 of the Gramm-Leach-Bliley Act). Classes of the same mutual fund should be combined and reported as a single account.
- 5** **Other fiduciary accounts.** Report the market value and number of accounts for all other trusts and agencies not reported in items 1 through 4. Custody and safekeeping accounts should be reported in item 7.
- 6** **Total fiduciary accounts.** Report the sum of items 1 through 5.
- 7** **Custody and safekeeping accounts.** Report the market value and the number of accounts for all personal and institutional custody and safekeeping accounts held by the institution. Safekeeping and custody accounts are a type of agency account in which the reporting institution performs one or more specified agency functions but the institution is not a trustee and also is not responsible for managing the asset selection for account assets. These agency services may include holding assets, processing income and redemptions, and other recordkeeping and customer reporting services. For employee benefit custody or safekeeping accounts, the number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Include accounts in which the institution services in a sub-custodian capacity. For example, where one institution contracts with another for custody services, both institutions should report the accounts in their respective capacity.

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Accounts in which the institution serves as trustee or in an agency capacity in addition to being custodian should be reported in the category of the primary relationship. For example, personal trust accounts in which the institution also serves as custodian should be reported as personal trust accounts and not as custodian accounts. An institution should report an account only once in items 1 through 5 and 7.

Report custodian accounts that are incidental to fiduciary services. Include those custody and safekeeping accounts that are administered by the trust department, and those that are administered in other areas of the institution through an identifiable business unit that focuses on offering fiduciary related custodial services to institutional clients. Exclude those custodial and escrow activities related to commercial bank services such as retail and institutional brokerage assets, securities safekeeping services for correspondent banks, escrow assets held for the benefit of third parties, safety deposit box assets, and any other similar commercial arrangement.

II. Corporate trust and agency accounts:

Item No. Caption and Instructions

- 1 Corporate and municipal trusteeships.** Report in Column A the total number of corporate and municipal issues, as well as other debt issues such as unit investment trusts, for which the institution serves as trustee. If more than one institution is trustee for an issue, each institution should report the issue. Securities with different CUSIP numbers should be considered separate issues; however, serial bond issues should be considered as a single issue. Consider the primary function of the appointment when selecting the item in which to report the appointment. Exclude issues that have been called in their entirety or have matured even if there are unrepresented bonds or coupons for which funds are being held.

Report in Column B the total par value of outstanding debt securities for the issues reported in Column A for which the institution serves as trustee. For zero-coupon bonds, report the final maturity amount. Exclude assets (i.e., cash, deposits, and investments) that are being held for corporate trust purposes: they should be reported in item 3, above.

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III. Collective investment funds and common trust funds.

Report the number and market value of the assets held in Collective Investment Funds (CIFs) and Common Trust Funds operated by the reporting institution. If an institution operates a CIF that is used by more than one institution, the entire CIF should be reported in this section only by the institution which operates the CIF. Exclude mutual funds from this section. Each CIF should be categorized in the one item that best fits the fund type.

Item No. Caption and Instructions

- 1 Domestic equity.** Report funds investing primarily in U.S. equities. Include those seeking growth, income, growth and income, U.S. index funds and those concentrating on small, mid, or large cap domestic stocks.
- 2 International/Global equity.** Report funds investing exclusively in equities of issuers located outside the U.S. and those funds representing a combination of U.S. and foreign issuers. Include funds that specialize in a particular country, region, or emerging market.
- 3 Stock/Bond blend.** Report funds investing in a combination of equity and bond investments. Include funds with a fixed allocation along with those having the flexibility to shift assets between stocks, bonds, and cash.
- 4 Taxable bond.** Report funds investing in taxable debt securities. Include funds that specialize in U.S. Treasury and U.S. Government agency debt, investment grade corporate bonds, high-yield debt securities, mortgage-related securities, and global, international, and emerging market debt funds.
- 5 Municipal bond.** Report funds investing in debt securities issued by states and political subdivisions in the U.S. Such securities may be taxable or tax-exempt. Include funds that invest in municipal debt issues from a single state.
- 6 Short-term investments/Money market.** Report funds that invest in short-term money market instruments with an average portfolio maturity that is limited to 90 days with individual securities limited to maturities of 13 months or less. Money market instruments may include U.S. Treasury bills, commercial paper, bankers acceptances, and repurchase agreements. Include taxable and nontaxable funds.
- 7 Specialty/Other.** Include funds that specialize in equity securities of particular sectors (e.g., technology, health care, financial, and real estate). Also include funds that do not fit into any of the above categories.
- 8 Total collective investment funds.** Report the sum of items 1 through 7.