STATE OF KANSAS
DIVISION OF BANKING

INSTRUCTIONS
NON-DEPOSITORY TRUST COMPANY CONSOLIDATED REPORT OF CONDITION, REPORT OF INCOME AND REPORT OF FIDUCIARY ASSETS

GENERAL INSTRUCTIONS

The Report of Condition shall include, on a consolidated basis, all majority-owned subsidiaries. Complete each item and schedule. Do not amend the form. If there are any questions concerning the Report, contact the Kansas Office of the State Bank Commissioner, Laurie Jackson, 785-296-1509.

REPORT OF CONDITION

ASSETS

ITEM NO. **CAPTION AND INSTRUCTIONS**

1. **Cash and balances due from depository institutions.** Report the total of all interest-bearing and non-interest-bearing balances due from FDIC insured financial institutions and currency and coin. Deposit accounts "due from" depository institutions that are overdrawn are to be reported as borrowings (Item 14).

2. **Receivables.**

2.a. **Account/fee receivables from trust accounts.** Report all fees that have been earned, but not collected.

2.b. **Accounts receivables – other.** Report all receivables, other than those listed in 2.a or 2.c.

2.c. **Due from affiliates or subsidiaries.** Report any receivables due from an affiliate or subsidiary.

3. **Securities.** Report the amount from Schedule B. Refer to the instructions for Schedule B.

4. **Premises and fixed assets.** Report the book value, less accumulated depreciation or amortization, of all premises, equipment, furniture and fixtures purchased directly, or acquired by means of a capital lease. Any method of depreciation or amortization conforming to accounting principles that are generally acceptable for financial reporting purposes may be used.

   Do not deduct mortgages or other liens on such property; report mortgages or other liens on premises and fixed assets in item 13 "Obligations under capital leases."

   Include as premises and fixed assets:
   a. Premises that are actually owned and occupied (or to be occupied, if under construction) by the trust company or its consolidated subsidiaries.
   b. Leasehold improvements, vaults, and fixed machinery and equipment.
   c. Remodeling costs to existing premises.
   d. Real estate acquired and intended to be used for future expansion.
   e. Parking lots that are used by customers or employees of the trust company.
   f. Furniture, fixtures, and movable equipment of the trust company.
   g. Vehicles owned by the trust company and used in the conduct of its business.

   Exclude from premises and fixed assets:

a. Original paintings, antiques, and similar valuable objects (report in Item 9 "Other assets").
b. Favorable leasehold rights (report in Item 8 "Intangible assets").

5. **Total loans and leases.** Report total loans and leases outstanding (net of unearned income) less allowance for loan and lease losses that the trust company has the intent and ability to hold for the foreseeable future or until maturity or payoff. Standards for lease accounting are set forth in Accounting Standards Codification (ASC) Topic 840, *Leases* (formerly FASB Statement No. 13, *Accounting for Leases*, as amended). Generally, this is a lease entered into by the trust company as lessee wherein the ownership of the property will be transferred to the company upon completion of the terms of the lease.

6. **Investments in unconsolidated subsidiaries and associated companies.** Report the amount of the company's investments in the stock of all subsidiaries that have not been consolidated, associated companies, and those corporate joint ventures over which the reporting company exercises significant influence (collectively referred to as "investees").

   Investments in the investees shall be reported using the equity method of accounting. Under the equity method, the carrying value of the trust company's investment of an investee is originally recorded at cost, but is adjusted periodically to record as income the trust company's proportionate share of the investee's earnings or losses and decreased by the amount of any cash dividends or similar distributions received from the investee.

   Unconsolidated subsidiaries include majority-owned subsidiaries that do not meet the significance standards for required consolidation and that the trust company does not choose to consolidate under the optional consolidation provisions.

7. **Prepaid expenses.** Report all expenses that have been prepaid.

8. **Intangible assets.** Report the unamortized amount of intangible assets. Intangible assets primarily result from business combinations accounted for under the acquisition method in accordance with ASC Topic 805, *Business Combinations* (formerly FASB Statement No. 141(R), *Business Combinations)*, and from acquisitions of portions or segments of another institution's business. Intangible assets should be amortized in accordance with generally accepted accounting principles.

9. **Other assets.** Report the amount from Schedule C. Refer to the instructions for Schedule C.

10. **Total assets.** Report the sum of Items 1 through 9.

LIABILITIES

11. **Accounts payable.** Report all short term obligations due, resulting from operations.

12. **Notes and debentures payable.** Report the amount of outstanding notes and debentures.

13. **Obligations under capitalized leases.** Report the amount of liens or other encumbrances on premises and fixed assets for which the trust company or its consolidated subsidiaries are liable.

    If the trust company is the lessee on capital lease property, include the trust company's liability for capital lease payments.

14. **Other borrowed money.** Report the amount borrowed by the trust company or its consolidated subsidiaries.

    a. On its promissory notes.
    b. By overdrawing "due from" balances with depository institutions.
    c. On any obligation for the purpose of borrowing money not reported elsewhere.

15. **Due to affiliates or subsidiaries.** Report any outstanding obligation owed to any affiliate or subsidiary.

16. **Other liabilities.** Report the amount from Schedule D. Refer to the instructions for Schedule D.

17. **Total Liabilities.** Report the sum of Items 11 through 16.

18. **Minority interest in consolidated subsidiaries.** Report the portion of the equity capital accounts of all consolidated subsidiaries of the reporting trust company that must be allocated to minority shareholders of such subsidiaries.

EQUITY CAPITAL

19. P**referred stock.** Report the amount of preferred stock issued, including any amounts received in excess of its par or stated value.

20. **Common stock.** Report the aggregate par or stated value of outstanding common stock.

21. **Surplus.** Report the net amount formally transferred to the surplus account, including capital contributions, adjustments arising from treasury stock transactions, and any amount received for common stock in excess of its par or stated value on or before the report date. Do <u>not</u> include any portion of the proceeds received from the sale of preferred stock in excess of its par or stated value (report in the Report of Condition, Item 19).

22. a. **Retained earnings.** Report the amount of retained earnings (undivided profits) and capital reserves. The amount of the retained earnings and capital reserves should reflect the transfer of net income, declaration of dividends, transfers to surplus, and any other appropriate entries.

Capital reserves are segregations of retained earnings and are <u>not</u> to be reported as liability accounts or as reductions of asset balances. Capital reserves may be established for such purposes as:

(1) Reserve for undeclared stock dividends--includes amounts set aside to provide for stock dividends (not cash dividends) not yet declared.
(2) Reserve for undeclared cash dividends--includes amounts set aside for cash dividends on common and preferred stock not yet declared. (Cash dividends declared but not yet payable should be included in Schedule D, Item 3.)
(3) Retirement account (for limited-life preferred stock or subordinated notes and debentures)--includes amounts allocated under the plan for retirement of limited-life preferred stock or subordinated notes and debentures contained in the trust company's articles of association or in the agreement under which such stock or notes and debentures were issued.
(4) Reserve for contingencies--includes amounts set aside for possible unforeseen or indeterminate liabilities not otherwise reflected on the trust company's books and not covered by insurance. This reserve may include, for example, reserves set up to provide for possible losses that the company may sustain because of lawsuits, the deductible amount under the trust company's blanket bond, defaults on obligations for which the company is contingently liable, or other claims against the trust company. A reserve for contingencies represents a segregation of retained earnings. It should not include any element of known losses or of any probable incurred losses the amount of which can be estimated with reasonable accuracy.

Exclude from retained earnings:

(1) Any portion of the proceeds received from the sale of common stock in excess of its par or stated value (report in Consolidated Report of Condition Item 21).
(2) Any portion of the proceeds received from the sale of preferred stock in excess of its par or stated value (report in Consolidated Report of Condition 19).
(3) “Reserves” that reduce the related asset balances such as valuation allowances, reserves for depreciation, and reserves for bond premiums.

22. b. **Accumulated other comprehensive income.** Report the accumulated balance of other comprehensive income in accordance with ASC Subtopic 220-10, *Comprehensive Income - Overall* (formerly FASB Statement No. 130, *Reporting Comprehensive Income*). “Other comprehensive income” refers to revenues, expenses, gains, and losses that under generally accepted accounting principles are included in comprehensive income but excluded from net income. Include in this item:

(1) Net unrealized holding gains (losses) on available-for-sale securities. Report the difference between the amortized cost and the fair value of the reporting trust company's available-for-sale securities, net of tax effects, as of the report date. Also include the unamortized amount of the unrealized holding gain or loss at the date of transfer of any debt security transferred into the held-to-maturity category from the available-for-sale category. When a debt security is transferred from available-for-sale to held-to-maturity, the unrealized holding gain or loss at the date of transfer continues to be reported in this equity capital account, but must be amortized over the remaining life of the security as an adjustment of yield in a manner consistent with the amortization of any premium or discount.

(2) Accumulated net gains (losses) on cash flow hedges. Report the effective portion of the accumulated change in fair value (gain or loss) on derivatives designated and qualifying as cash flow hedges in accordance with ASC Topic 815, *Derivatives and Hedging* (formerly FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*). The effective portion of a cash flow hedge can be described as the change in fair value of the derivative that offsets the change in expected future cash flows being hedged.

Under ASC Topic 815, a trust company that elects to apply hedge accounting must exclude from net income the effective portion of the change in fair value of a derivative designated as a cash flow hedge and record it on the balance sheet in a separate component of equity capital (referred to as "accumulated other comprehensive income" in the accounting standard). The ineffective portion of the cash flow hedge must be reported in earnings. The equity capital component (i.e., the accumulated other comprehensive income) associated with a hedged transaction should be adjusted each reporting period to a balance that reflects the lesser (in absolute amounts) of:

(a) The cumulative gain or loss on the derivative from inception of the hedge, less (i) amounts excluded consistent with the trust company's defined risk management strategy and (ii) the derivative's gains or losses previously reclassified from accumulated other comprehensive income into earnings to offset the hedged transaction, or

(b) The portion of the cumulative gain or loss on the derivative necessary to offset the cumulative change in expected future cash flows on the hedged transaction from inception of the hedge less the derivative's gains or losses previously reclassified from accumulated other comprehensive income into earnings.

Accordingly, the amount reported in this item should reflect the sum of the adjusted balance (as described above) of the cumulative gain or loss for each derivative designated and qualifying as a cash flow hedge. These amounts will be reclassified into earnings in the same period or periods during which the hedged transaction affects earnings (for example, when a hedged variable-rate interest receipt on a loan is accrued or when a forecasted sale occurs).

(3) Cumulative foreign currency translation adjustments. Report the sum of the trust company's foreign currency translation adjustments accumulated in accordance with ASC Topic 830, *Foreign Currency Matters* (formerly FASB Statement No. 52, *Foreign Currency Translation*).

(4) Minimum pension liability adjustment. Report any minimum pension liability adjustment recognized in accordance with ASC Topic 715, *Compensation - Retirement Benefits* (formerly FASB Statement No. 87, *Employer's Accounting for Pensions*). Under ASC Topic 715, an employer must report in a separate component of equity capital, net of any applicable tax benefits, the excess of additional pension liability over unrecognized prior service cost.

23. **Other equity capital components**. Report the carrying value of any treasury stock and of any unearned Employee Stock Ownership Plan (ESOP) shares, which under generally accepted accounting principles are reported in a contra-equity account on the balance sheet. For further information see ASC Subtopic 718-40, *Compensation-Stock Compensation - Employee Stock Ownership Plans* (formerly AICPA Statement of Position 93-6, *Employers' Accounting for Employee Stock Ownership Plans*).

24. **Total equity capital.** Report the sum of Items 19 through 23.

25. **Total liabilities and equity capital.** Report the sum of Items 17, 18, and 24.

SCHEDULE A - RECEIVABLES

Report the amount of receivables from trust accounts, other sources, and from affiliates and subsidiaries. This schedule is an aging report of the total receivables and should be divided between 1) current receivables (0-29 days), 2) receivables past due 30-89 days and still accruing, 3) receivables past due 90 days or more and still accruing, and 4) non-accruing receivables.

SCHEDULE B - SECURITIES

This schedule has two columns for information on securities. Report the book value of securities in Column A and the current market value in Column B.

Total book value must include amortization of premium and accretion of discount on securities purchased at other than par or face value (including U.S. Treasury bills). The preferred method for reporting purchases and sales of securities is as of trade date. However, settlement date accounting is acceptable if the reported amounts would not be materially different.

Each category of securities should be reported net of any valuation allowance created by charges to expense. Marketable equity securities should be reported at the lower of their aggregate cost or market value.

1. **U.S. Treasury securities.** Report the appropriate value of all U.S. Treasury securities. <u>Include</u> all bills, certificates of indebtedness, notes, and bonds.

   <u>Exclude</u> all obligations of U.S. Government agencies and corporations.

2. **U.S. Government agency and corporation obligations.** Report the appropriate value of all U.S. Government agency and corporation obligations, including the appropriate value of all holdings of certificates of participation in pools of residential mortgages issued or guaranteed by the Government National Mortgage Association (GNMA), the Federal National Mortgage Association (FNMA), or the Federal Home Loan Mortgage Corporation (FHLMC).

3. **Securities issued by states and political subdivisions in the U.S.** Report the appropriate value of all securities issued by states and political subdivisions in the United States.

   States and political subdivisions in the U.S. for purposes of this report include:

   a. The fifty states of the United States and the District of Columbia and their counties, municipalities, school districts, irrigation districts, and drainage and sewer districts; and
   b. The governments of Puerto Rico and of the U.S. territories and possessions and their political subdivisions.

4. **Other debt securities.** Report the appropriate value of bonds, notes, and debentures not reported elsewhere, including commercial paper and bankers acceptances.

5. **Equity securities.** Report the appropriate value of common and preferred stock of corporations purchased for investment.

6. **Investment in mutual funds.** Report the appropriate value of shares of a mutual fund regulated under the federal Investment Company Act of 1940.

SCHEDULE C - OTHER ASSETS

1. **Net deferred tax assets (if debit balance).** 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 <u>credit</u> balance, report the amount in Schedule D, Item 2, “Net deferred tax liabilities.”

2. **Other.** Report the amount of all other assets (other than Item 1 above) that cannot properly be reported in the Consolidated Report of Condition Items 1 through 8. Itemize, with clear but concise captions, all other assets greater than $25,000 that exceed 25 percent of the total of this schedule (Item 3). Enter such items in the inset boxes provided.

Include as all other assets:

a. Accrued interest on securities purchased.
b. Equity securities that do not have readily determinable market values. An equity security does not have a readily determinable market value if sales or bid-and-asked quotations are not currently available of a securities exchange registered with the Securities and Exchange Commission and are not publicly reported by the National Association of Securities Dealers Automated Quotations systems or the National Quotation Bureau.
c. The current amount outstanding of margin accounts placed with brokers or others in connection with the purchase or sale of futures or forward contracts.
d. 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 ASC Subtopic 985-20, *Software - Costs of Software to be Sold, Leased or Marketed* (formerly FASB Statement No. 86, *Accounting for the Cost of Computer Software to be Sold, Leased or Otherwise Marketed*).
e. 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).
f. Cash surrender value of life insurance policies for which the trust company is the beneficiary.
g. Cost of issuing notes and debentures subordinated to deposits, net of accumulated amortization.
h. Furniture and equipment rented to others under operating leases, net of accumulated depreciation.

3. **TOTAL** (sum of Items 1 and 2 must equal Report of Condition Item 9).

SCHEDULE D - OTHER LIABILITIES

1. **Expenses accrued and unpaid.** Report the amount of income taxes, interest, and other expenses accrued through charges to expense during the current or prior periods, but not yet paid.

2. **Net deferred tax liabilities (if credit balance).** 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 credit balance. If the result for a particular tax jurisdiction is a net debit balance, report the amount in Schedule C, Item 1, "Net deferred tax assets."

3. **Dividends declared but not paid.** Dividends declared, but not yet payable—that is, the amount of cash dividends declared on limited-life preferred, preferred, and common stock on or before the report date but not payable until after the report date.

4. **Other.** Report all other liabilities (other than those reported in Items 1, 2, and 3 above) that cannot properly be reported in the Consolidated Report of Condition Items 11 through 15. Itemize, with clear but concise captions, all other liabilities greater than $25,000 that exceeds 25 percent of the total for this schedule (Item 5). Enter such items in the inset boxes provided.

Include as all other liabilities:

a. Deferred gains from sale-leaseback transactions.
b. Unearned trustee fees billed in advance.
c. Deferred compensation liabilities.

5. **TOTAL** (sum of Items 1 through 4 must equal Report of Condition Item 16).

REPORT OF INCOME

General Instructions

Report in accordance with these instructions all income and expense of the trust company for the calendar year end. Include adjustments of accruals and other accounting estimates made shortly after the calendar year end that relate to the income and expense of the calendar year end. All figures should be rounded to the nearest thousand (000s).

1. **Trust administration fee income.** Report the appropriate subitem for all fees, and similar administrative charges levied against the trust accounts for services rendered by the trust company.

    a. Personal trusts includes all IRAs, SEPs, traditional managed accounts, guardianships, and agencies.
    b. Employee benefit accounts includes 401(k)s and pension and profit-sharing plans.
    c. Corporate accounts includes bond paying agent accounts and transfer agent services.
    d. Other (Accounts) - Provide details.

2. **Interest and dividend income earned.** Include interest and dividends on securities held in the trust company's portfolio, including those sold subject to repurchase or pledged as collateral for any purpose. Also include interest earned on balances due from depository institutions.

3. **Other Income.** Provide a description and the amount of income not listed above.

4. **Total Income.** Report the sum of Items 1, 2, and 3.

5. **Salaries and employee benefits.** Include:

    a. Gross salaries, wages, overtime, bonuses, incentive compensation and extra compensation.
    b. Social security taxes and state and federal unemployment taxes paid by the trust company.
    c. Contributions to the trust company's retirement plan, pension fund, or profit-sharing plan.

6. **Expenses of premises and fixed assets.** Include rent, telephone, utilities, related insurance expense, cost of repairs, maintenance, cost of leasehold improvements, equipment, furniture and fixtures charged directly to expense and not placed on the institution's books as assets, normal and recurring depreciation and amortization charges, all property tax and other tax expense related to premises.

7. **Contracted outside servicing expense.** Include the fees paid to contractors, including information technology and investment contractors for services rendered. Provide descriptions and the amount of such fees.

8. **Other expenses.** Include items not listed above.

9. **Provisions for uncollected fees.** Include any contribution to the reserve against uncollectable fees.

10. **Fiduciary settlements, surcharges, and other losses.** Report net losses resulting from fiduciary and related services. Net losses are gross losses less recoveries. Gross losses include settlements, surcharges, and other losses arising from errors, misfeasance, or malfeasance on fiduciary and related services accounts and should reflect losses recognized on an accrual basis. Recoveries may be for current or prior years' losses and should be reported when payment is actually realized. This item must equal Schedule D, item 4.e, sum of columns A and B minus column C from the Report of Fiduciary Assets. For further information, see the instructions for the Report of Fiduciary Assets, Schedule D, item 4.

11. **Total expenses.** Report the sum of Items 5 through 10.

12. **Net income (loss) before adjustments.** Subtract Item 11 from Item 4 and report the difference.

13. **Gains (or losses) from securities sold.** Report the net amount after selling expenses.

14. **Applicable income taxes.** Report the total estimated federal and state income tax expense applicable.

15. **Other adjustments.** Provide explanation.

16. **Net income (loss).** Report the sum of Items 12 through 15. Some Items may be subtracted.

17. **LESS other charges (credits) to undivided profits.** Report dividends declared in the current year, plus any other current year adjustments to undivided profits.

REPORT OF FIDUCIARY ASSETS

Trust companies should generally report fiduciary assets using the 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 trust company may use any reasonable method to establish values for fiduciary 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., Trust Company A provides custody services to the trust accounts of Trust Company B, or Trust Company B provides investment management services to the trust accounts of Trust Company A), both institutions should report the accounts in their respective capacities.

Exclude unfunded insurance trusts, 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 ASC Topic 815, Derivatives and Hedging (formerly FASB Statement No. 133, “Accounting for Derivative Instruments and Hedging Activities,” as amended), 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 ASC Topic 860, Transfers and Servicing (formerly FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," as amended). A transferee ("borrower") of securities 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.

<u>Managed Assets – Column A.</u>

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 over the assets of the account. 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.

Therefore, whether an account where investment discretion has been delegated to a registered investment adviser, whether affiliated or unaffiliated with the reporting institution, should be reported as a managed account depends on whether the delegation of investment authority to the registered investment adviser was made pursuant to the exercise of investment discretion by the reporting institution. If so, the account is deemed to be a managed account by the reporting institution. Otherwise, the account would be a non-managed account for purposes of this schedule.

An entire account should be reported as either managed or non-managed based on the predominant responsibility of the reporting institution.

Non-Managed Assets – Column B. 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 trust company 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. For example, a 401(k) employee benefit plan where the participants select investments from a list of investment options should be reported as non-managed for the purposes of this schedule.

Number of Managed Accounts – Column C. Report the total number of managed fiduciary accounts.

Number of Non-Managed Accounts – Column D. Report the total number of non-managed fiduciary accounts.

1. **Personal trust and agency**. 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 and investment advisory agency accounts, which should be reported in item 4 of the RFA. Also exclude Keogh Plan accounts, Individual Retirement Accounts (IRAs), Health Savings Accounts, and other pension or profit-sharing plans for self-employed individuals, which should be reported in item 2 of the Report of Fiduciary Assets. Personal accounts that are solely custody or safekeeping should be reported in item 8 of the Report of Fiduciary Assets.

2. **Employee benefit and retirement-related**.

2. a. **Employee benefit-defined contribution**. Report the market value and number of accounts for all employee benefit defined contribution accounts in which the trust company 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, and employee stock ownership plans. Employee benefit accounts for which the trust company serves as a directed trustee should be reported as non-managed. 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 or safekeeping accounts should be reported in item 8 of the Report of Fiduciary Assets.

2. b. **Employee benefit-defined benefit**. Report the market value and number of accounts for all employee benefit defined benefit plans in which the trust company serves as either trustee or agent. Employee benefit accounts for which the trust company serves as a directed trustee should be reported as non-managed. 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 or safekeeping accounts should be reported in item 8 of the Report of Fiduciary Assets.

2. c. **Other employee benefit and retirement-related**. Report the market value and number of accounts for all other employee benefit and retirement-related fiduciary accounts in which the trust company serves as trustee or agent. Include Keogh Plan accounts, Individual Retirement Accounts, Health Savings Accounts, Medical Savings Accounts, and other pension or profit sharing plans for self-employed individuals. Also report the market value of assets and the number of accounts for employee welfare benefit trusts and agencies. Employee welfare benefit plans include plans, funds, or programs that provide medical, surgical, or hospital care benefits; benefits in the event of sickness, accident, disability, death, or unemployment; vacation benefits; apprenticeship or other training programs; day care centers; scholarship funds; or prepaid legal services. Employee benefit accounts for which the trust company serves as a directed trustee should be reported as non-managed. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Other

retirement accounts that are solely custody or safekeeping accounts should be reported in item 8 of the Report of Fiduciary Assets.

3. **Corporate trust and agency**. Report the market value of assets held by the trust company for all corporate trust and agency accounts. Report assets that are the responsibility of the trust company to manage or administer in accordance with the corporate trust agreement. Include assets relating to unpresented bonds or 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 8 of the Report of Fiduciary Assets.

4. **Investment management and investment advisory**. Report the market value and number of accounts for all individual and institutional investment management and investment advisory agency accounts that are administered within the fiduciary area of the trust company. Investment management accounts are those agency accounts for which the trust company has investment discretion; however, title to the assets remains with the client. Include accounts for which the trust company serves as a sub-advisor. Investment advisory accounts are those agency accounts for which the trust company provides investment advice for a fee, but for which some other person is responsible for investment decisions. Investment management agency accounts should be reported as managed. Investment advisory agency accounts should be reported as non-managed. Investment management and investment advisory agency accounts maintained for foundations and endowments should be reported in item 5 of the Report of Fiduciary Assets.

5. **Foundation and endowment trust**. Report the market value and number of accounts for all foundations and endowments (whether established by individuals, families, corporations, or other entities) that file any version of Form 990 with the Internal Revenue Service and for which the trust company serves as either trustee or agent. Also include those foundations and endowments that do not file Form 990, 990EZ, or 990PF, solely because the organization’s gross receipts or total assets fall below reporting thresholds, but would otherwise be required to file. Foundations and endowments established by churches, which are exempt from filing Form 990, should also be included in this item. Employee benefit accounts maintained for a foundation’s or endowment’s employees should be reported in item 2 of the Report of Fiduciary Assets. Accounts that are solely custodial or safekeeping should be reported in item 8 of the Report of Fiduciary Assets.

6. **Other fiduciary accounts**. Report the market value and number of accounts for all other trusts and agencies not reported in the Report of Fiduciary Assets, items 1 through 5. Custody and safekeeping accounts should be reported in item 8 of the Report of Fiduciary Assets.

7. **TOTAL**. (sum of Items 1 through 6).

8. **Custody and safekeeping**. Report the market value and number of accounts for all personal and institutional custody and safekeeping accounts held by the trust company. Safekeeping and custody accounts are a type of agency account in which the reporting trust company performs one or more specified agency functions, but the trust company 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 trust company serves in a sub-custodian capacity. Accounts in which the trust company 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 trust company also serves as custodian should be reported as personal trust accounts and not as custodian accounts. A trust company should report an account only once in the Report of Fiduciary Assets, items 1 through 6 and 8.

9. **Fiduciary accounts administered in out-of-state trust offices**. Report the market value and number of accounts included in the Report of Fiduciary Assets, items 7 and 8, above that are attributable to accounts administered in the reporting trust company's out-of-state trust office(s).

SCHEDULE A – MANAGED ASSETS

1. **Column Instructions for Memorandum items 1.a through 1.p:**

Column A, Personal Trust and Agency and Investment Management Agency Accounts: Report the market value of managed assets held in (a) personal trust and agency accounts as defined for item 1 of the Report of Fiduciary Assets and (b) investment management and investment advisory accounts as defined for item 4 of the Report of Fiduciary Assets.

Column B, Employee Benefit and Retirement-Related Trust and Agency Accounts: Report the market value of managed assets held in employee benefit and retirement-related accounts as defined for items 2.a, 2.b, and 2.c of the Report of Fiduciary Assets.

Column C, All Other Accounts: Report the market value of managed assets held in (a) corporate trust and agency accounts as defined for item 3 of the Report of Fiduciary Assets, (b) foundation and endowment trust accounts as defined for item 5 of the Report of Fiduciary Assets, and (c) other fiduciary accounts as defined for item 6 of the Report of Fiduciary Assets.

Report in the appropriate column and in the appropriate subitem the market value of all managed assets held in the fiduciary accounts included in the Report of Fiduciary Assets, items 1 through 6, column A. For units in collective investment funds that are held by a managed fiduciary account, report the market value of the units in the Report of Fiduciary Assets, Schedule A, item 1.h. Do not allocate the underlying assets of each collective investment fund attributable to managed accounts to the individual subitems for the various types of assets reported in the Report of Fiduciary Assets, Schedule A, item 1.

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.

1.a **Noninterest-bearing deposits.** Report all noninterest-bearing deposits. Report noninterest-bearing deposits of both principal and income cash.

1.b **Interest-bearing deposits.** Report all interest-bearing savings and time deposits. Include NOW accounts, MMDA accounts, "BICs" (bank investment contracts) that are insured by the FDIC, and certificates of deposit. Report interest-bearing deposits of both principal and income cash.

1.c **U.S. Treasury and U.S. Government agency obligations.** Report all securities of and/or loans to the U.S. Government and U.S. Government corporations and agencies. Include certificates or other obligations, however named, that represent pass-through participations in pools of real estate loans when the participation instruments: (1) are issued by FHA-approved mortgagees and guaranteed by the Government National Mortgage Association, or (2) are issued, insured, or guaranteed by a U.S. Government agency or corporation (e.g., the Federal Home Loan Mortgage Corporation's Mortgage Participation Certificates). Collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) issued by the Federal National Mortgage Association (FNMA) ("Fannie Mae") and the Federal Home Loan Mortgage Corporation (FHLMC) ("Freddie Mac") should be included.

1.d **State, county, and municipal obligations.** Report all short- and long-term obligations of state and local governments, and political subdivisions of the United States. Include obligations of U.S. territories and insular possessions and their political subdivisions and all Federal income tax-exempt obligations of authorities such as local housing and industrial development authorities that derive their tax-exempt status from relationships with State or local governments. Tax-exempt money market mutual funds should be reported with money market mutual funds in the Report of Fiduciary Assets, Schedule A, item 1.e.

1.e **Money market mutual funds.** Report all holdings of mutual funds registered under the Investment Company Act of 1940 that attempt to maintain net asset values at $1.00 per share. Include taxable and tax-exempt money market mutual funds. Exclude short-term collective investment funds.

1.f **Equity mutual funds.** Report all holdings of mutual funds registered under the Investment Company Act of 1940, exchange traded funds (ETFs), and unit investment trusts (UITs) that invest primarily in equity securities. For purposes of the Report of Fiduciary Assets, Schedule A, item 1, institutions should categorize these investments on the basis of either the fund's investment objective as stated in its prospectus or the fund's classification by a company that tracks information on these funds such as Morningstar and Lipper. An institution's methodology for categorizing mutual fund, ETF, and UIT investments should be consistently applied.

1.g **Other mutual funds.** Report all holdings of all other mutual funds registered under the Investment Company Act of 1940, ETFs, and UITs. For purposes of the Report of Fiduciary Assets, Schedule A, item 1, institutions should categorize these investments on the basis of either the fund's investment objective as stated in its prospectus or the fund's classification by a company that tracks information on these funds such as Morningstar and Lipper. An institution's methodology for categorizing mutual fund, ETF, and UIT investments should be consistently applied.

1.h C**ollective investment funds.** Report all holdings of all collective investment funds. Collective investment funds are funds that trust companies are authorized to administer pursuant to Kansas Administrative Regulation 17-23-11.

1.i **Other short-term obligations.** Report all other short-term obligations (i.e., original maturities of less than 1 year, or 13 months in the case of the time portion of master notes). In addition to short-term notes, include in this item such money market instruments as master note arrangements, commercial paper, bankers acceptances, securities repurchase agreements, and other short-term liquidity investments. Exclude state, county, and municipal obligations.

1.j **Other notes and bonds.** Report all other bonds, notes (except personal notes), and debentures. Include corporate debt, insurance annuity contracts, "GICs" (guaranteed investment contracts), "BICs" (bank investment contracts) that are not insured by the FDIC, and obligations of foreign governments. Also include certificates or other obligations, however named, representing pass-through participations in pools of real estate loans when the participation instruments are issued by financial institutions and guaranteed in whole or in part by private guarantors. Collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) that are *not* issued by the Federal National Mortgage Association (FNMA) ("Fannie Mae") and the Federal Home Loan Mortgage Corporation (FHLMC) ("Freddie Mac") should be reported here, even if the collateral consists of GNMA ("Ginnie Mae") or FNMA pass-throughs or FHLMC participation certificates. Exclude short-term obligations (which should be reported in the Report of Fiduciary Assets, Schedule A, item 1.i, above).

1.k **Investments in unregistered funds and private equity investments.** Report all holdings of funds exempt from registration under Sections 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, for example, "hedge funds." Report all holdings of private equity investments exempt from registration under Securities Act of 1933 Regulation D. Private equity investments is an asset class consisting of purchased equity securities in operating companies that are not publicly traded on a stock exchange or otherwise registered with the SEC under federal securities laws. Private equity-related funds are funds that invest primarily in private equity investments. Unregistered private equity funds should be reported in this item.

Investments in family businesses that are associated with the grantors or beneficiaries of a fiduciary account should not be reported in this item as a "private equity investment." Such investments may arise, for example, from an in-kind transfer to a fiduciary account of securities in a closely-held family business or an increase in a fiduciary account's percentage ownership of an existing closely-held family business whose securities are held in the account. Such investments should be reported in the Report of Fiduciary Assets, Schedule A, item 1.o. "Miscellaneous assets."

1.l **Other common and preferred stocks.** Report all holdings of domestic and foreign common and preferred equities, including warrants and options, but excluding investments in unregistered funds and private equity investments (which should be reported in the Report of Fiduciary Assets, Schedule A, item 1.k. above).

1.m **Real estate mortgages.** Report real estate mortgages, real estate contracts, land trust certificates, and ground rents. These assets may be reported at their unpaid balance if that figure is a fair approximation of market value.

1.n **Real estate.** Report real estate, mineral interests, royalty interests, leaseholds, and other similar assets. Land and buildings associated with farm management accounts should be reported in this item. Also include investments in limited partnerships that are solely or primarily invested in real estate.

1.o **Miscellaneous assets.** Report personal notes, tangible personal property, and other miscellaneous assets that cannot properly be reported in the Report of Fiduciary Assets, Schedule A, items 1.a. through 1.n. above. Crops, equipment, and livestock associated with farm management accounts should be reported in this item. Also include investments in closely-held family businesses if such investments represent in-kind transfers to a fiduciary account of securities in a closely-held family business or an increase in a fiduciary account's percentage ownership of an existing closely-held family business whose securities are held in the account.

1.p **Total managed assets held in fiduciary accounts.** Report the sum of Memorandum items 1.a. through 1.o. The total reported in column A must equal the sum of the Report of Fiduciary Assets, items 1 and 4, column A. The total reported in column B must equal the sum of the Report of Fiduciary Assets, items 2.a, 2.b, and 2.c, column A. The total reported in column C must equal the sum of the Report of Fiduciary Assets, items 3, 5, and 6, column A.

1.q **Investments of managed fiduciary accounts in advised or sponsored mutual funds.** Report in column A the market value of all managed fiduciary assets invested in mutual funds that are sponsored by the trust company or a subsidiary or affiliate of the trust company or where the trust company or a subsidiary or affiliate of the trust company serves as investment advisor to the fund. Report the number of managed fiduciary accounts with assets invested in advised or sponsored mutual funds in column B. The term "affiliate" shall have the meaning as ascribed in K.S.A. 9-1702(c).

SCHEDULE B – CORPORATE TRUST AND AGENCY ACCOUNTS

2. **Corporate trust and agency accounts:**

2. a. **Corporate and municipal trusteeships**. Report in column A the total number of corporate and municipal issues, including equities such as trust preferred securities, and asset-backed securities for which the trust company serves as trustee. Also report other debt issues, such as unit investment trusts and private placement leases, for which the trust company 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. When a trust company serves as trustee of a bond issue, it may also perform agency functions for the issue such as registrar (transfer agent) or interest and principal paying agent. In those cases, report the issue only in the Report of Fiduciary Assets Schedule B, item 2.a., "Corporate and municipal trusteeships," as the trustee appointment is considered the primary function. 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 unpresented bonds or coupons for which funds are being held.

Report in column B the unpaid principal balance of the outstanding securities for the issues reported in column A for which the trust company serves as trustee. For zero coupon bonds, report the final maturity amount. For trust preferred securities, report the redemption price. Exclude assets (i.e., cash, deposits, and investments) that are being held for corporate trust purposes; they should be reported in the Report of Fiduciary Assets, item 3, above.

2. a.(1) **Issues reported in item 2.a that are in default**. Report the total number and unpaid principal balance (final maturity amount for zero coupon bonds; redemption price for trust preferred securities) of the issues reported in the Report of Fiduciary Assets, Schedule B, item 2.a., above, that are in substantive default. A substantive default occurs when the issuer (a) fails to make a required payment of principal or interest, defaults on a required payment into a sinking fund, files for bankruptcy, or is declared bankrupt or insolvent, and (b) default has been declared by the trustee. Issues should not be reported as being in substantive default during a cure period, provided the indenture for the issue provides for a cure period. Once a trustee's duties with respect to an issue in substantive default have been completed, the issue should no longer be reported as being in default. Do not report issues that are in technical default, for instance, if the obligor failed to provide information or documentation to the trustee within specified time periods.

2.b. **Transfer agent, registrar, paying agent, and other corporate agency**. Report in column A the total number of issues for which the trust company acts in a corporate agency capacity. Include the total number of equity, debt, and mutual fund issues for which the trust company acts as transfer agent or registrar. Separate classes of a mutual fund should be consolidated and reflected as a single issue. Include the total number of stock or bond issues for which the trust company disburses dividend or interest payments. Also include the total number of issues of any other corporate appointments that are performed by the trust company through its fiduciary capacity. Issues for which the trust company serves in a dual capacity should be reported once. Corporate and municipal trusteeships reported in the Report of Fiduciary Assets Schedule B, item 2.a, above, in which the trust company also serves as transfer agent, registrar, paying agent, or other corporate agency capacity should not be included in the Report of Fiduciary Assets Schedule B, item 2.b. Include only those agency appointments that do not relate to issues reported in the Report of Fiduciary Assets Schedule B, 2.a, above.

SCHEDULE C – COLLECTIVE INVESTMENT FUNDS

3. **Collective investment funds:** Report in the appropriate subitem the number of funds and the market value the assets held in Collective Investment Funds administered by the reporting trust company. If a trust company operates a Collective Investment Fund that is used by more than one institution, the entire Collective Investment Fund should be reported in this section only by the institution that operates the CIF. Exclude mutual funds from this section. Each Collective Investment Fund should be reported in the subitem that best fits the fund type.

3. a. **Domestic equity**. Report funds investing primarily in U.S. equities. Include funds seeking growth, income, growth and income; U.S. index funds; and funds concentrating on small, mid, or large cap domestic stocks. Exclude funds specializing in a particular sector (e.g., technology, health care, financial, and real estate), which should be reporting in the Report of Fiduciary Assets Schedule C, item 3.g, "Specialty/Other."

3. b. **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. c. **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.

3. d. **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. Exclude funds that invest in municipal bonds, which should be reported in the Report of Fiduciary Assets Schedule C, item 3.e, and funds that qualify as short-term investments, which should be reported in the Report of Fiduciary Assets Schedule C, item 3.f.

3. e. **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. Exclude funds that qualify as short-term investments/money market, which should be reported in the Report of Fiduciary Assets Schedule C, item 3.f.

3. f. **Short-term investments/money market**. Report funds that invest in short-term money market instruments. Money market instruments may include U.S. Treasury bills, commercial paper, bankers acceptances, and repurchase agreements. Include taxable and nontaxable funds.

3. g. **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.

3. h. **TOTAL Collective Investment Funds**. (sum of the Report of Fiduciary Assets Schedule C, items 3.a through 3.g).

SCHEDULE D – FIDUCIARY SETTLEMENTS, SURCHARGES, AND OTHER LOSSES

4. **Fiduciary settlements, surcharges, and other losses.** Report aggregate ***gross*** settlements, surcharges, and other losses arising from errors, misfeasance, or malfeasance on managed accounts in column A and on non-managed accounts in column B. ***Gross*** losses should reflect losses recognized on an accrual basis before recoveries or insurance payments. If the institution enters into a "fee reduction" or "fee waiver" agreement with a client as the method for reimbursing or compensating the client for a loss on the client's fiduciary or related services account arising from an error, misfeasance, or malfeasance, the full amount of this loss must be recognized on an accrual basis and included in the gross losses reported in the appropriate sub item and column of this Report of Fiduciary Assets Schedule D, item 4. A trust company should not report such a loss as a reduction of the gross income from fiduciary and related services it reports in the Consolidated Report of Income, items 1-4, in the current or future periods when the "fee reduction" or "fee waiver" takes place. Instead it should be reported in the Consolidated Report of Income, Item 10 as a net loss.

Exclude contingent liabilities for fiduciary-related loss contingencies, including pending or threatened litigation, for which a loss has not yet been recognized in accordance with ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, "Accounting for Contingencies").

Report recoveries (including those from insurance payments) in column C. Recoveries may be for current or prior years' losses and should be reported when payment is actually realized. The filing of an insurance claim does not serve as support for a recovery.

4.a. **Personal trust and agency accounts.** Report gross losses and recoveries for personal trust and agency accounts as defined for the Report of Fiduciary Assets, item 1.

4.b. **Employee benefit and retirement-related trust and agency accounts.** Report gross losses and recoveries for employee benefit and retirement-related trust and agency accounts as defined for the Report of Fiduciary Assets, item 2.

4.c. **Investment management and investment advisory agency accounts.** Report gross losses and recoveries for investment management and investment advisory agency accounts as defined for item the Report of Fiduciary Assets, item 4.

4.d. **Other fiduciary accounts and related services.** Report gross losses and recoveries for all other fiduciary accounts and related services that are not included in the Report of Fiduciary Assets Schedule D, items 4.a, 4.b, and 4.c, above. Include losses and recoveries from corporate trust and agency accounts, foundation and endowment trust and agency accounts, other fiduciary accounts, custody and safekeeping accounts, and other fiduciary related services.

4.e**.** **Total fiduciary settlements, surcharges, and other losses.** Report the sum of the Report of Fiduciary Assets Schedule D, items 4.a through 4.d.