310-10-00 Status

Click here to link to 310-10-S00.

General Note: The Status Section identifies changes to this Subtopic resulting from Accounting Standards Updates. The Section provides references to the affected Codification content and links to the related Accounting Standards Updates. Nonsubstantive changes for items such as editorial, link and similar corrections are included separately in Maintenance Updates.

General

00-1 The following table identifies the changes made to this Subtopic.

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310-10-05 Overview and Background

General Note: The Overview and Background Section provides overview and background material for the guidance contained in the Subtopic. It does not provide the historical background or due process. It may contain certain material that users generally consider useful to understand the typical situations addressed by the standards. The Section does not summarize the accounting and reporting requirements.

General
05-1 The Receivables Topic includes the following Subtopics:

a. Overall

b. Nonrefundable Fees and Other Costs

c. Loans and Debt Securities Acquired with Deteriorated Credit Quality

d. Troubled Debt Restructurings by Creditors.

05-2 The Overall Subtopic establishes general guidance for receivables. The guidance is presented in the following two Subsections:

a. General

b. Acquisition, Development, and Construction Arrangements.

05-3 The General Subsections provide guidance on a variety of accounting issues related to receivables. The following paragraphs provide background information on types of receivables addressed in the General Subsections.

> Receivables in General

05-4 Receivables may arise from credit sales, loans, or other transactions. Receivables may be in the form of loans, notes, and other types of financial instruments and may be originated by an entity or purchased from another entity.

> Standby Commitments to Purchase Loans

05-5 Entities sometimes enter into forward standby commitments to purchase loans at a stated price in return for a standby commitment fee. In such an arrangement, settlement of the standby commitment is at the option of the seller of the loans and would result in delivery to the entity only if the contract price equals or exceeds the market price of the underlying loan or security on the settlement date. A standby commitment differs from a mandatory commitment in that the entity assumes all the market risks of ownership but shares in none of the rewards. A standby commitment is, in substance, a written put option that will be exercised only if the value of the loans is less than or equal to the strike price.

> Factoring Arrangements

05-6 Factoring arrangements are a means of discounting accounts receivable on a nonrecourse, notification basis. Accounts receivable are sold outright, usually to a transferee (the factor) that assumes the full risk of collection, without recourse to the transferor in the event of a loss. Debtors are directed to send payments to the transferee.

> Rebates

05-7 Rebates represent refunds of portions of the precomputed finance charges on installment loans or trade
receivables, if applicable, that occur when payments are made ahead of schedule. Rebate calculations generally are governed by state laws and may differ from unamortized finance charges on installment loans or trade receivables because many states require rebate calculations to be based on the Rule of 78s or other methods instead of the interest method.

**Acquisition, Development, and Construction Arrangements**

**05-8** The *Acquisition, Development, and Construction Arrangements* Subsections provide guidance for determining whether a lender should account for an acquisition, development, and construction arrangement as a loan or as an investment in real estate or a joint venture.

**05-9** Lenders may enter into acquisition, development, and construction arrangements in which they have virtually the same risks and potential rewards as those of owners or joint venturers. Loans granted to acquire operating properties sometimes grant the lender a right to participate in expected residual profit from the sale or refinancing of the property. The expected residual profit may take the form of a percentage of the appreciation of the property determined at the maturity of the loan.

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310-10-15 Scope and Scope Exceptions

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**310-10-15 Scope and Scope Exceptions**

**General Note:** The Scope and Scope Exceptions Section outlines the items (for example, the entities, transactions, instruments, or events) to which the guidance in the Subtopic does or does not apply. In some cases, the Section may contain definitional or other text to frame the scope.
General Note for Financial Instruments: Some of the items subject to the guidance in this Subtopic are financial instruments. For guidance on matters related broadly to all financial instruments, (including the fair value option, accounting for registration payment arrangements, and broad financial instrument disclosure requirements), see Topic 825. See Section 825-10-15 for guidance on the scope of the Financial Instruments Topic.

General

> Entities

15-1 The guidance in the General Subsections applies to all entities.

> Transactions

15-2 The guidance in the General Subsections applies to a variety of instruments and transactions, including the following:

   a. Trade accounts receivable
   b. Loans
   c. Loan syndications
   d. Factoring arrangements
   e. Standby letters of credit
   f. Financing receivables.

15-3 The guidance in the General Subsections does not apply to the following transactions and activities:

   a. Mortgage banking activities (as described in paragraph 948-10-05-4)
   b. A contract that is required to be accounted for as a derivative instrument under Subtopic 815-10. For example, paragraph 815-10-15-70 states that commitments to purchase or sell mortgage loans or other types of loans at a future date shall be evaluated under the definition of a derivative instrument to determine whether Subtopic 815-10 applies.

Acquisition, Development, and Construction Arrangements

> Entities
15-4 The guidance in the Acquisition, Development, and Construction Arrangements Subsections applies to all entities.

> Transactions

15-5 The guidance in the Acquisition, Development, and Construction Arrangements Subsections applies only to those acquisition, development, and construction arrangements in which the lender participates in expected residual profit, as further described in the Acquisition, Development, and Construction Subsection of Section 310-10-25.

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310-10-20 Glossary

General Note: The Master Glossary contains all terms identified as glossary terms throughout the Codification. Clicking on any term in the Master Glossary will display where the term is used. The Master Glossary may contain identical terms with different definitions, some of which may not be appropriate for a particular Subtopic. For any particular Subtopic, users should only use the glossary terms included in the particular Subtopic Glossary Section (Section 20).

Acquisition, Development, and Construction Arrangements

Acquisition, development, or construction arrangements, in which a lender, usually a financial institution, participates in expected residual profit from the sale or refinancing of property.

Class of Financing Receivable

A group of financing receivables determined on the basis of all of the following:
a. Initial measurement attribute (for example, amortized cost or purchased credit impaired)

b. Risk characteristics of the financing receivable

c. An entity’s method for monitoring and assessing credit risk.

See paragraphs 310-10-55-16 through 55-18 and 310-10-55-22.

**Collateral-Dependent Loan**

A loan for which the repayment is expected to be provided solely by the underlying collateral.

**Credit Quality Indicator**

A statistic about the credit quality of financing receivables.

**Current Assets**

Current assets is used to designate cash and other assets or resources commonly identified as those that are reasonably expected to be realized in cash or sold or consumed during the normal operating cycle of the business. See paragraphs 210-10-45-1 through 45-4.

**Debt Security**

Any security representing a creditor relationship with an entity. The term debt security also includes all of the following:

a. Preferred stock that by its terms either must be redeemed by the issuing entity or is redeemable at the option of the investor

b. A collateralized mortgage obligation (or other instrument) that is issued in equity form but is required to be accounted for as a nonequity instrument regardless of how that instrument is classified (that is, whether equity or debt) in the issuer’s statement of financial position

c. U.S. Treasury securities

d. U.S. government agency securities

e. Municipal securities

f. Corporate bonds

g. Convertible debt

h. Commercial paper

i. All securitized debt instruments, such as collateralized mortgage obligations and real estate mortgage investment conduits

j. Interest-only and principal-only strips.

The term debt security excludes all of the following:

a. Option contracts
b. Financial futures contracts

c. Forward contracts

d. Lease contracts

e. Receivables that do not meet the definition of security and, so, are not debt securities (unless they have been securitized, in which case they would meet the definition of a security), for example:

1. Trade accounts receivable arising from sales on credit by industrial or commercial entities

2. Loans receivable arising from consumer, commercial, and real estate lending activities of financial institutions.

**Effective Interest Rate**

The rate of return implicit in the loan, that is, the contractual interest rate adjusted for any net deferred loan fees or costs, premium, or discount existing at the origination or acquisition of the loan.

**Expected Residual Profit**

The amount of profit, whether called interest or another name, such as equity kicker, above a reasonable amount of interest and fees expected to be earned by a lender.

**Fair Value**

The price that would be received to sell an asset or paid to transfer a liability in an *orderly transaction* between *market participants* at the measurement date.

**Financing Receivable**

A financing arrangement that has both of the following characteristics:

a. It represents a contractual right to receive money in either of the following ways:

   1. On demand
   2. On fixed or determinable dates.

b. It is recognized as an asset in the entity’s statement of financial position.

See paragraphs 310-10-55-13 through 55-15 for more information on the definition of financing receivable, including a list of items that are excluded from the definition (for example, debt securities).

**Loan**

A contractual right to receive money on demand or on fixed or determinable dates that is recognized as an asset in the creditor's statement of financial position. Examples include but are not limited to accounts receivable (with terms exceeding one year) and notes receivable.

**Loan Syndication**

A transaction in which several lenders share in lending to a single borrower. Each lender loans a specific amount to the
borrower and has the right to repayment from the borrower. It is common for groups of lenders to jointly fund those loans when the amount borrowed is greater than any one lender is willing to lend.

**Market Participants**

Buyers and sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:

a. They are independent of each other, that is, they are not related parties, although the price in a related-party transaction may be used as an input to a fair value measurement if the reporting entity has evidence that the transaction was entered into at market terms

b. They are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary

c. They are able to enter into a transaction for the asset or liability

d. They are willing to enter into a transaction for the asset or liability, that is, they are motivated but not forced or otherwise compelled to do so.

**Orderly Transaction**

A transaction that assumes exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities; it is not a forced transaction (for example, a forced liquidation or distress sale).

**Portfolio Segment**

The level at which an entity develops and documents a systematic methodology to determine its allowance for credit losses. See paragraphs 310-10-55-21 through 55-22.

**Probable**

The future event or events are likely to occur.

**Recorded Investment**

The amount of the investment in a loan, which is not net of a valuation allowance, but which does reflect any direct write-down of the investment.

**Recourse**

The right of a transferee of receivables to receive payment from the transferor of those receivables for any of the following:

a. Failure of debtors to pay when due

b. The effects of prepayments

c. Adjustments resulting from defects in the eligibility of the transferred receivables.
Related Parties

Related parties include:

a. Affiliates of the entity

b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity

c. Trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management

d. Principal owners of the entity and members of their immediate families

e. Management of the entity and members of their immediate families

f. Other parties with which the entity may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests

g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

Standby Letter of Credit

A letter of credit (or similar arrangement however named or designated) that represents an obligation to the beneficiary on the part of the issuer for any of the following:

a. To repay money borrowed by or advanced to or for the account of the account party

b. To make payment on account of any evidence of indebtedness undertaken by the account party

c. To make payment on account of any default by the account party in the performance of an obligation.

A standby letter of credit would not include the following:

a. Commercial letters of credit and similar instruments where the issuing bank expects the beneficiary to draw upon the issuer and which do not guarantee payment of a money obligation

b. A guarantee or similar obligation issued by a foreign branch in accordance with and subject to the limitations of Regulation M of the Federal Reserve Board.

Troubled Debt Restructuring

A restructuring of a debt constitutes a troubled debt restructuring if the creditor for economic or legal reasons related to the debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider.

END OF DOCUMENT -
310-10-25 Recognition

**General Note:** The Recognition Section provides guidance on the required criteria, timing, and location (within the financial statements) for recording a particular item in the financial statements. Disclosure is not recognition.

**General Note for Fair Value Option:** Some of the items subject to the guidance in this Subtopic may qualify for application of the Fair Value Option Subsections of Subtopic 825-10. Those Subsections (see paragraph 825-10-05-5) address circumstances in which entities may choose, at specified election dates, to measure eligible items at fair value (the fair value option). See Section 825-10-15 for guidance on the scope of the Fair Value Option Subsections of the Financial Instruments Topic.

**General**

**25-1** The General Subsections provide recognition guidance organized as follows:

a. Recognition of certain types of receivables

b. Recognition of interest and fees for certain types of receivables.

> Recognition of Certain Types of Receivables

**25-2** The following guidance addresses issues related to recognition of various types of receivables, specifically:

a. Factoring arrangements
b. Loan syndications and loan participations
c. Standby commitments
d. Credit card portfolio purchased
e. Secured loans.

Such receivables may be originated by an entity or purchased from a third party.

>> Factoring Arrangements

25-3 Transfers of receivables under factoring arrangements meeting the sale criteria of paragraph 860-10-40-5 shall be accounted for by the factor as purchases of receivables. The acquisition of receivables and accounting for purchase discounts such as factoring commissions shall be recognized in accordance with Subtopic 310-20. Factoring commissions under these arrangements shall be recognized over the period of the loan contract in accordance with that Subtopic. That period begins when a finance company or an entity with financing activities including trade receivables funds a customer’s credit and ends when the customer’s account is settled.

>> Loan Syndications and Loan Participations

25-4 Each lender in a syndication shall account for the amounts it is owed by the borrower. Repayments by the borrower may be made to a lead lender that then distributes the collections to the other lenders of the syndicate. In those circumstances, the lead lender is simply functioning as a servicer and, therefore, shall not recognize the aggregate loan as an asset.


>> Standby Commitments to Purchase Loans

25-6 Paragraph 815-10-15-70 states that commitments to purchase or sell mortgage loans or other types of loans at a future date must be evaluated under the definition of a derivative instrument to determine whether Subtopic 815-10 applies. This paragraph applies only to a standby commitment to purchase loans and only if that commitment is within the scope of this Subtopic. It does not apply to other customary kinds of commitments to purchase loans, nor does it apply to commitments to originate loans. If the settlement date is within a reasonable period, for example, a normal loan commitment period, and the entity has the intent and ability to accept delivery without selling assets, a standby commitment within the scope of this Subtopic shall be viewed as part of the normal production of loans. However, if the settlement date is not within a reasonable period, or the entity does not have the intent and ability to accept delivery without selling assets, the standby commitment shall be accounted for as a written put option.

>> Credit Card Portfolio Purchased
25-7  When an entity purchases a credit card portfolio that includes the cardholder relationships at an amount that exceeds the sum of the amounts due under the credit card receivables, the difference between the amount paid and the sum of the balances of the credit card loans at the date of purchase (the premium) shall be allocated between the cardholder relationships acquired and the loans acquired. The premium relating to the cardholder relationships represents an identifiable intangible asset that shall be accounted for in accordance with Topic 350.

>>  Secured Loans

25-8  Transfers not meeting the sale criteria in paragraph 860-10-40-5 shall be accounted for as secured loans, that is, loans collateralized by customer accounts or receivables. Paragraph 860-30-25-5 provides additional guidance in those situations.

>  Recognition of Interest and Fees for Certain Types of Receivables

25-9  The following guidance addresses the recognition of interest income and certain fees for various types of receivables, specifically:

a. Interest income on receivables
b. Impact of rebates on accrued interest income
c. Prepayment fees
d. Delinquency fees.

Such interest or fees may relate to receivables that are originated by the entity or purchased from a third party.

>>  Interest Income on Receivables

25-10  See Subtopic 835-30 for guidance on the imputation of interest for receivables that represent contractual rights to receive money or contractual obligations to pay money on fixed or determinable dates, whether or not there is any stated provision for interest.

>>  Impact of Rebates on Accrued Interest Income

25-11  Accrual of interest income on installment loans or trade receivables shall not be affected by the possibility that rebates may be calculated on a method different from the interest method, except that the possibility of rebates affects the accounting resulting from the application of paragraph 310-20-35-18(a). Differences between rebate calculations and accrual of interest income merely adjust original estimates of interest income and shall be recognized in income when loans or trade receivables are prepaid or renewed.
Prepayment Fees

25-12 Prepayment penalties shall not be recognized in income until loans or trade receivables, if applicable, are prepaid, except that the existence of prepayment penalties may affect the accounting resulting from the application of paragraph 310-20-35-18(a).

Delinquency Fees

25-13 Delinquency fees shall be recognized in income when chargeable, assuming collectibility is reasonably assured.

Acquisition, Development, and Construction Arrangements

25-14 This Subsection provides recognition guidance for acquisition, development, and construction arrangements, specifically:

a. Expected residual profit
b. Characteristics implying investment in real estate or joint ventures
c. Characteristics implying loans
d. Accounting for an arrangement as a loan or an investment in real estate
e. Participations in acquisition, development, and construction arrangements.

Expected Residual Profit

25-15 The extent of participation in expected residual profit and its forms may vary. An example of a simple form might be one in which the contractual interest and fees, if any, on a condominium project are considered to be at fair market rates. The expected sales prices are sufficient to cover at least principal, interest, and fees, and the lender shares in an agreed proportion, for example, 20 percent, 50 percent, or 90 percent, of any profit on sale of the units.

25-16 A slightly different form of arrangement may produce approximately the same result. For example, the interest rate and/or fees may be set at a level higher than in the preceding example, and the lender may receive a smaller percentage of any profit on sale of the units. Thus, a greater portion of the expected sales price is required to cover the contractual interest and/or fees, leaving a smaller amount to be allocated between the lender and the borrower. The lender's share of expected residual profit in such an arrangement may be approximately the same as in the preceding example.

25-17 A different arrangement may cause the same result if the interest rate and/or fees are set at a sufficiently high level and the lender does not share in any proportion of profit on sale of the units. Another variation in these arrangements is one in which the lender shares in gross rents or net cash flow from a commercial project, for example, an office building or an apartment complex.

25-18 The profit participation agreement may or may not be part of the mortgage loan agreement.
> **Characteristics Implying Investment in Real Estate or Joint Ventures**

25-19 In an acquisition, development, and construction arrangement in which the lender participates in expected residual profit, in addition to the lender's participation in expected residual profit, the following characteristics suggest that the risks and rewards of the arrangement are similar to those associated with an investment in real estate or joint venture:

a. The lender agrees to provide all or substantially all necessary funds to acquire, develop, or construct the property. The borrower has title to but little or no equity in the underlying property.

b. The lender funds the commitment or origination fees or both by including them in the amount of the loan.

c. The lender funds all or substantially all interest and fees during the term of the loan by adding them to the loan balance.

d. The lender's only security is the acquisition, development, and construction project. The lender has no recourse to other assets of the borrower, and the borrower does not guarantee the debt.

e. In order for the lender to recover the investment in the project, the property must be sold to independent third parties, the borrower must obtain refinancing from another source, or the property must be placed in service and generate sufficient net cash flow to service debt principal and interest.

f. The arrangement is structured so that foreclosure during the project's development as a result of delinquency is unlikely because the borrower is not required to make any payments until the project is complete, and, therefore, the loan normally cannot become delinquent.

> **Characteristics Implying Loans**

25-20 Even though the lender participates in expected residual profit, the following characteristics suggest that the risks and rewards of an acquisition, development, and construction arrangement are similar to those associated with a loan:

a. The lender participates in less than a majority of the expected residual profit.

b. The borrower has an equity investment, substantial to the project, not funded by the lender. The investment may be in the form of cash payments by the borrower or contribution by the borrower of land (without considering value expected to be added by future development or construction) or other assets. The value attributed to the land or other assets should be net of encumbrances. There may be little value to assets with substantial prior liens that make foreclosure to collect less likely. Recently acquired property generally shall be valued at no higher than cost.

c. The lender has either of the following:

1. Recourse to substantial tangible, saleable assets of the borrower, with a determinable sales value, other than the acquisition, development, and construction project that are not pledged as collateral under other loans

2. An irrevocable letter of credit from a creditworthy, independent third party provided by the borrower to the lender for a substantial amount of the loan over the entire term of the loan.
d. A take-out commitment for the full amount of the lender's loans has been obtained from a creditworthy, independent third party. Take-out commitments often are conditional. If so, the conditions should be reasonable and their attainment probable.

e. Noncancelable sales contracts or lease commitments from creditworthy, independent third parties are currently in effect that will provide sufficient net cash flow on completion of the project to service normal loan amortization, that is, principal and interest. Any associated conditions should be probable of attainment.

25-21 Some acquisition, development, and construction arrangements include personal guarantees of the borrower and/or a third party. The existence of a personal guarantee alone rarely provides a sufficient basis for concluding that an acquisition, development, and construction arrangement should be accounted for as a loan. In instances where the substance of the guarantee and the ability of the guarantor to perform can be reliably measured, and the guarantee covers a substantial amount of the loan, concluding that an acquisition, development, and construction arrangement supported by a personal guarantee should be accounted for as a loan may be justified.

25-22 The substance of a personal guarantee depends on all of the following:

a. The ability of the guarantor to perform under the guarantee

b. The practicality of enforcing the guarantee in the applicable jurisdiction

c. A demonstrated intent to enforce the guarantee.

25-23 Examples of personal guarantees that have the ability to perform would include those supported by liquid assets placed in escrow, pledged marketable securities, or irrevocable letters of credit from a creditworthy, independent third party in amounts sufficient to provide necessary equity support for an acquisition, development, and construction arrangement to be considered a loan. In the absence of such support for the guarantee, the financial statements and other information of the guarantor may be considered to determine the guarantor's ability to perform.

25-24 Particular emphasis should be placed on the following factors when considering the financial statements of the guarantor:

a. Liquidity and net worth of the guarantor. There should be evidence of sufficient liquidity to perform under the guarantee. There may be little substance to a personal guarantee if the guarantor's net worth consists primarily of assets pledged to secure other debt.

b. Guarantees provided by the guarantor to other projects. If the financial statements do not disclose and quantify such information, inquiries should be made as to other guarantees. Also, it may be appropriate to obtain written representation from the guarantor regarding other contingent liabilities.

25-25 The enforceability of the guarantee in the applicable jurisdiction should also be determined. Even if the guarantee is legally enforceable, business reasons that might preclude the lender from pursuing the guarantee shall be assessed. Those business reasons could include the length of time required to enforce a personal guarantee, whether it is normal business practice in that jurisdiction to enforce guarantees on similar transactions, and whether the lender must choose between pursuing the guarantee or the project's assets, but cannot pursue both.

25-26 Some acquisition, development, and construction arrangements recognize value, not funded by the lender, for the builder's efforts after inception of the arrangement, sometimes referred to as sweat equity. Sweat equity is not at risk by the borrower at the inception of an acquisition, development, and construction project. Consequently, sweat equity shall not be considered a substantial equity investment on the part of the borrower in determining whether the acquisition, development, and construction arrangement should be treated as a loan.
Accounting for an Arrangement as a Loan or an Investment in Real Estate

An acquisition, development, and construction arrangement shall be accounted for as follows:

a. If the lender is expected to receive over 50 percent of the expected residual profit from the project, the lender shall account for income or loss from the arrangement as a real estate investment as specified by Topic 970.

b. If the lender is expected to receive 50 percent or less of the expected residual profit, the entire arrangement shall be accounted for either as a loan or as a real estate joint venture, depending on the circumstances. At least one of the characteristics identified in paragraph 310-10-25-20(b) through (e) or a qualifying personal guarantee shall be present for the arrangement to be accounted for as a loan. Otherwise, real estate joint venture accounting would be appropriate.

If the arrangement is accounted for as a loan, interest and fees shall be recognized as income subject to recoverability. Topic 974 provides guidance that may be relevant in assessing the recoverability of such loan amounts and accrued interest.

If the arrangement is accounted for as a real estate joint venture, the provisions of Subtopics 970-323 and 835-20 provide guidance for such accounting. In particular, paragraph 970-835-35-1 provides guidance on the circumstances under which interest income shall not be recognized.

Participations in Acquisition, Development, and Construction Arrangements

Many participations in loans or whole loans are bought and sold. The accounting treatment for a purchase that involves acquisition, development, and construction arrangements shall be based on a review of the transaction at the time of purchase in accordance with this guidance. In applying this guidance, a participant would look to its individual percentage of expected residual profit. For example, a participant who will not share in any of the expected residual profit is not subject to this guidance. However, the responsibility to review collectibility and provide allowances applies equally to purchased acquisition, development, and construction arrangements. Any reciprocal transactions between institutions, including multiparty transactions, shall be viewed in their entirety and accounted for in accordance with their combined effects.
310-10-30 Initial Measurement

**General Note:** The Initial Measurement Section provides guidance on the criteria and amounts used to measure a particular item at the date of initial recognition.

**General**

>> **Certain Receivables**

**30-1** The following provides initial measurement guidance for certain notes receivable, specifically those exchanged for cash and those exchanged for property, goods, or services. Such notes may be originated by an entity or purchased from a third party.

>> **Notes Exchanged for Cash**

**30-2** As indicated in paragraph 835-30-25-4, when a note is received solely for cash and no other right or privilege is exchanged, it is presumed to have a present value at issuance measured by the cash proceeds exchanged. If cash and some other rights or privileges are exchanged for a note, the value of the rights or privileges shall be given accounting recognition as described in paragraph 835-30-25-6.

>> **Notes Exchanged for Property, Goods, or Services**

**30-3** As indicated in paragraph 835-30-25-8, notes exchanged for property, goods, or services are valued and accounted for at the present value of the consideration exchanged between the contracting parties at the date of the transaction in a manner similar to that followed for a cash transaction.

**30-4** As indicated in paragraph 835-30-25-2, if determinable, the established exchange price (which, presumably, is the same as the price for a cash sale) of property, goods, or services acquired or sold in consideration for a note may be used to establish the present value of the note. That paragraph explains that, when notes are traded in an open market,
the market rate of interest and quoted prices of the notes provide the evidence of the present value. That paragraph notes that these methods are preferable means of establishing the present value of the note.

30-5 As indicated in paragraph 835-30-25-10, in circumstances where interest is not stated, the stated amount is unreasonable, or the stated face amount of the note is materially different from the current cash sales price for the same or similar items or from the fair value of the note at the date of the transaction, the note, the sales price, and the cost of the property, goods, or services exchanged for the note shall be recorded at the fair value of the property, goods, or services or at an amount that reasonably approximates the fair value of the note, whichever is the more clearly determinable.

30-6 Paragraph 835-30-25-11 explains that, in the absence of established exchange prices for the related property, goods, or services or evidence of the fair value of the note (as described in paragraph 835-30-25-2), the present value of a note that stipulates either no interest or a rate of interest that is clearly unreasonable shall be determined by discounting all future payments on the notes using an imputed rate of interest as described in Subtopic 835-30. Paragraph 835-30-25-11 explains that this determination shall be made at the time the note is acquired; any subsequent changes in prevailing interest rates shall be ignored.

> Standby Commitments to Purchase Loans

30-7 If a standby commitment to purchase loans is viewed under paragraph 310-10-25-6 as part of the normal production of loans, an entity shall record loans purchased under the standby commitment at cost on the settlement date, net of the standby commitment fee received, in conformity with Subtopic 310-20. If a standby commitment is accounted for as a written option as discussed in paragraph 310-10-25-6, the option premium received (standby commitment fee) shall be recorded as a liability representing the fair value of the standby commitment on the trade date.

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310-10-35 Subsequent Measurement
General Note: The Subsequent Measurement Section provides guidance on an entity’s subsequent measurement and subsequent recognition of an item. Situations that may result in subsequent changes to carrying amount include impairment, fair value adjustments, depreciation and amortization, and so forth.

General

35-1 This Subsection provides the following subsequent measurement guidance:

a. Loan impairment

b. Credit losses for loans and trade receivables

c. Credit losses for standby letters of credit and certain loan commitments

d. Subsequent measurement of specific types of receivables.

> Loan Impairment

35-2 Subtopic 450-20 provides the basic guidance for recognition of impairment losses for all receivables (except those receivables specifically addressed by other Topics, such as debt securities). This Subsection provides more specific guidance on measurement and disclosure for a subset of the population of loans. That subset consists of loans that are identified for evaluation and that are individually deemed to be impaired (because it is probable that the creditor will be unable to collect all the contractual interest and principal payments as scheduled in the loan agreement). It also includes all loans that are restructured in a troubled debt restructuring involving a modification of terms, except for those loans that are excluded from the scope of this guidance, as discussed in paragraph 310-10-35-13(b) through (d).

35-3 This Subsection addresses both the impairment concepts applicable to all receivables, with references to the guidance in Subtopic 450-20 where appropriate, and the impairment concepts related to loans that are identified for evaluation and that are individually deemed to be impaired, as discussed in paragraph 310-10-35-2.

> General Concepts

35-4 The following provides an overview of generally accepted accounting principles (GAAP) for loan impairment:

a. It is usually difficult, even with hindsight, to identify any single event that made a particular loan uncollectible. However, the concept in GAAP is that impairment of receivables shall be recognized when, based on all available information, it is probable that a loss has been incurred based on past events and conditions existing at the date of the financial statements.

b. Losses shall not be recognized before it is probable that they have been incurred, even though it may be probable based on past experience that losses will be incurred in the future. It is inappropriate to consider possible or
expected future trends that may lead to additional losses. Recognition of losses shall not be deferred to periods after
the period in which the losses have been incurred.

c. GAAP does not permit the establishment of allowances that are not supported by appropriate analyses. The
approach for determination of the allowance shall be well documented and applied consistently from period to period.
d. Under Subtopic 450-20, the threshold for recognition of impairment shall be the same whether the creditor has
many loans or has only one loan. Paragraph 310-10-35-9 requires that if the conditions of paragraph 450-20-25-2
are met, accrual shall be made even though the particular receivables that are uncollectible may not be identifiable.
e. The guidance in this Subsection is more specific than Subtopic 450-20 in that it requires certain methods of
measurement for loans that are individually considered impaired, but it does not fundamentally change the
recognition criteria for loan losses.

> Impairment of Receivables

35-5 The following discusses the general principles for measurement impairment of receivables under Subtopic 450-20,
specifically:

a. Applicability

b. Losses from uncollectible receivables.

>> Applicability

35-6 A creditor needs to apply judgment based on individual facts and circumstances to determine what represents
large groups of smaller-balance homogeneous loans. Paragraphs 310-10-35-7 through 35-11 would apply to those
groups of smaller-balance loans as well as loans that are not identified for evaluation or that are evaluated but are not
individually considered impaired.

>> Losses from Uncollectible Receivables

35-7 The conditions under which receivables exist usually involve some degree of uncertainty about their collectibility, in
which case a contingency exists.

35-8 Subtopic 450-20 requires recognition of a loss when both of the following conditions are met:

   a. Information available before the financial statements are issued or are available to be issued (as discussed in
      Section 855-10-25) indicates that it is probable that an asset has been impaired at the date of the financial
      statements.

   b. The amount of the loss can be reasonably estimated.

35-9 Losses from uncollectible receivables shall be accrued when both of the preceding conditions are met. Those
conditions may be considered in relation to individual receivables or in relation to groups of similar types of receivables. If
the conditions are met, accrual shall be made even though the particular receivables that are uncollectible may not be identifiable.

35-10 If, based on current information and events, it is probable that the entity will be unable to collect all amounts due according to the contractual terms of the receivable, the condition in paragraph 450-20-25-2(a) is met. As used here, all amounts due according to the contractual terms means that both the contractual interest payments and the contractual principal payments will be collected as scheduled according to the receivable's contractual terms. However, a creditor need not consider an insignificant delay or insignificant shortfall in amount of payments as meeting the condition in paragraph 450-20-25-2(a). Whether the amount of loss can be reasonably estimated (the condition in paragraph 450-20-25-2(b)) will normally depend on, among other things, the experience of the entity, information about the ability of individual debtors to pay, and appraisal of the receivables in light of the current economic environment. In the case of an entity that has no experience of its own, reference to the experience of other entities in the same business may be appropriate.

35-11 The inability to make a reasonable estimate of the amount of loss from uncollectible receivables (that is, failure to satisfy the condition in paragraph 450-20-25-2(b)) precludes accrual and may, if there is significant uncertainty as to collection, suggest that the installment method, the cost recovery method, or some other method of revenue recognition be used. See paragraphs 605-10-25-3 through 25-4 for further guidance.

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The inability to make a reasonable estimate of the amount of loss from uncollectible receivables (that is, failure to satisfy the condition in paragraph 450-20-25-2(b)) precludes accrual and may, if there is significant uncertainty as to collection, suggest that the cost recovery method, the cash-basis method, or some other method shall be used.

> Loans That Are Identified for Evaluation or That Are Individually Considered Impaired

35-12 The following addresses impairment of loans that are identified for evaluation or that are individually considered impaired, specifically:

a. Applicability

b. Identifying loans for evaluation

c. Assessing whether a loan is impaired

d. Measurement of impairment

e. Interaction with loss contingencies

f. Changes in the net carrying amount of an impaired loan.

>> Applicability

35-13 This guidance applies to all creditors. It addresses the accounting by creditors for impairment of a loan by
specifying how allowances for credit losses related to certain loans shall be determined. The accounting for impaired loans shall be consistent among all creditors and for all types of lending except for loans that are measured at fair value or at the lower of cost or fair value in accordance with specialized industry practice. Therefore, this guidance applies to all loans that are identified for evaluation, uncollateralized as well as collateralized, except the following:

a. Large groups of smaller-balance homogeneous loans that are collectively evaluated for impairment. Those loans may include but are not limited to credit card, residential mortgage, and consumer installment loans.

b. Loans that are measured at fair value or at the lower of cost or fair value, for example, in accordance with Topic 948 or other specialized industry practice.

c. Leases as defined in Topic 840.

d. Debt securities as defined in Topic 320.

This guidance does not address when a creditor should record a direct write-down of an impaired loan, nor does it address how a creditor should assess the overall adequacy of the allowance for credit losses.

>> Identifying Loans for Evaluation

35-14 This guidance does not specify how a creditor should identify loans that are to be evaluated for collectibility. A creditor shall apply its normal loan review procedures in making that judgment. Sources of information useful in identifying loans for evaluation include the following:

a. A specific materiality criterion

b. Regulatory reports of examination

c. Internally generated listings such as watch lists, past due reports, overdraft listings, and listings of loans to insiders

d. Management reports of total loan amounts by borrower

e. Historical loss experience by type of loan

f. Loan files lacking current financial data related to borrowers and guarantors

g. Borrowers experiencing problems such as operating losses, marginal working capital, inadequate cash flow, or business interruptions

h. Loans secured by collateral that is not readily marketable or that is susceptible to deterioration in realizable value

i. Loans to borrowers in industries or countries experiencing economic instability

j. Loan documentation and compliance exception reports.

35-15 After a loan has been individually identified for evaluation, a creditor shall not aggregate loans with common risk characteristics when assessing whether loans are impaired. Only if a creditor can identify which individual loans (if any) are impaired (because it is probable that the creditor will be unable to collect all the contractual interest and principal payments as scheduled in the loan agreement) shall an allowance be measured for individual loans under this Subsection.
Assessing Whether a Loan Is Impaired

35-16 A loan is impaired when, based on current information and events, it is probable that a creditor will be unable to collect all amounts due according to the contractual terms of the loan agreement. All amounts due according to the contractual terms means that both the contractual interest payments and the contractual principal payments of a loan will be collected as scheduled in the loan agreement. See Subtopic 310-40 for specific application of this guidance to loans restructured in a troubled debt restructuring.

35-17 This guidance does not specify how a creditor should determine that it is probable that it will be unable to collect all amounts due according to the contractual terms of a loan. A creditor shall apply its normal loan review procedures in making that judgment. An insignificant delay or insignificant shortfall in amount of payments does not require application of this guidance. A loan is not impaired during a period of delay in payment if the creditor expects to collect all amounts due including interest accrued at the contractual interest rate for the period of delay. Thus, a demand loan or other loan with no stated maturity is not impaired if the creditor expects to collect all amounts due including interest accrued at the contractual interest rate during the period the loan is outstanding.

35-18 The term probable is used consistent with its use in Subtopic 450-20, which defines probable as an area within a range of the likelihood that a future event or events will occur confirming the fact of the loss. That range is from probable to remote, as follows:

- a. Probable. The future event or events are likely to occur.
- b. Reasonably possible. The chance of the future event or events occurring is more than remote but less than likely.
- c. Remote. The chance of the future event or events occurring is slight.

35-19 The term probable is further described in paragraph 450-20-25-3, which indicates that the conditions for accrual in paragraph 450-20-25-2(a) are not intended to be so rigid that they require virtual certainty before a loss is accrued. They require only that it be probable that an asset has been impaired or a liability has been incurred and that the amount of loss be reasonably estimable. Application of the term probable in practice requires judgment, and probable does not mean virtually certain. Probable is a higher level of likelihood than more likely than not.

Measurement of Impairment

35-20 Measuring impairment of a loan requires judgment and estimates, and the eventual outcomes may differ from those estimates. Creditors shall have latitude to develop measurement methods that are practical in their circumstances.

35-21 Some impaired loans have risk characteristics that are unique to an individual borrower, and the creditor shall apply the measurement methods described in paragraphs 310-30-30-2; 310-10-35-22 through 35-28; and 310-10-35-37 on a loan-by-loan basis. However, some impaired loans may have risk characteristics in common with other impaired loans. A creditor may aggregate those loans and may use historical statistics, such as average recovery period and average amount recovered, along with a composite effective interest rate as a means of measuring impairment of those loans.

35-22 When a loan is impaired (see paragraphs 310-10-35-16 through 35-17), a creditor shall measure impairment based on the present value of expected future cash flows discounted at the loan’s effective interest rate, except that as a practical expedient, a creditor may measure impairment based on a loan’s observable market price, or the fair value of the collateral if the loan is a collateral-dependent loan. If that practical expedient is used, Topic 820 shall apply.
35-23 If a creditor uses the fair value of the collateral to measure impairment of a collateral-dependent loan and repayment or satisfaction of a loan is dependent on the sale of the collateral, the fair value of the collateral shall be adjusted to consider estimated costs to sell. However, if repayment or satisfaction of the loan is dependent only on the operation, rather than the sale, of the collateral, the measure of impairment shall not incorporate estimated costs to sell the collateral.

35-24 The creditor may choose a measurement method on a loan-by-loan basis. A creditor shall consider estimated costs to sell, on a discounted basis, in the measure of impairment if those costs are expected to reduce the cash flows available to repay or otherwise satisfy the loan. If the present value of expected future cash flows (or, alternatively, the observable market price of the loan or the fair value of the collateral) is less than the recorded investment in the loan (including accrued interest, net deferred loan fees or costs, and unamortized premium or discount), a creditor shall recognize an impairment by creating a valuation allowance with a corresponding charge to bad-debt expense or by adjusting an existing valuation allowance for the impaired loan with a corresponding charge or credit to bad-debt expense. The term recorded investment in the loan is distinguished from net carrying amount of the loan because the latter term is net of a valuation allowance, while the former term is not. The recorded investment in the loan does, however, reflect any direct write-down of the investment.

35-25 If a creditor bases its measure of loan impairment on a present value amount, the creditor shall calculate that present value amount based on an estimate of the expected future cash flows of the impaired loan, discounted at the loan's effective interest rate. A creditor's recorded investment in a loan at origination and during the life of the loan, as long as the loan performs according to its contractual terms, is the sum of the present values of the future cash flows that are designated as interest and the future cash flows that are designated as principal discounted at the effective interest rate implicit in the loan. A loan that becomes impaired (because it is probable that the creditor will be unable to collect all the contractual interest payments and contractual principal payments as scheduled in the loan agreement) shall continue to be carried at an amount that considers the discounted value of all expected future cash flows in a manner consistent with the loan's measurement before it became impaired.

35-26 If a creditor bases its measure of loan impairment on a present value calculation, the estimates of expected future cash flows shall be the creditor's best estimate based on reasonable and supportable assumptions and projections. All available evidence, including estimated costs to sell if those costs are expected to reduce the cash flows available to repay or otherwise satisfy the loan, shall be considered in developing the estimate of expected future cash flows. The weight given to the evidence shall be commensurate with the extent to which the evidence can be verified objectively. If a creditor estimates a range for either the amount or timing of possible cash flows, the likelihood of the possible outcomes shall be considered in determining the best estimate of expected future cash flows.

35-27 In addition, a creditor shall consider all available information reflecting past events and current conditions when developing the estimate of expected future cash flows. All available information would include existing environmental factors, for example, existing industry, geographical, economic, and political factors that are relevant to the collectibility of that loan and that indicate that it is probable that an asset had been impaired at the date of the financial statements.

35-28 If the loan's contractual interest rate varies based on subsequent changes in an independent factor, such as an index or rate, for example, the prime rate, the London Interbank Offered Rate (LIBOR), or the U.S. Treasury bill weekly average, that loan's effective interest rate may be calculated based on the factor as it changes over the life of the loan or may be fixed at the rate in effect at the date the loan meets the impairment criterion in paragraphs 310-10-35-16 through 35-17. The creditor's choice shall be applied consistently for all loans whose contractual interest rate varies based on subsequent changes in an independent factor. Projections of changes in the factor shall not be made for purposes of determining the effective interest rate or estimating expected future cash flows.

35-29 The measurement method selected for an individual impaired loan shall be applied consistently to that loan. A change in method shall be justified by a change in circumstance.
There are two considerations related to measurement of impairment:

a. Impact of hedging

b. Measurement of impairment when foreclosure is probable.

>>> Impact of Hedging

Section 815-25-35 implicitly affects the measurement of impairment under this Topic by requiring the present value of expected future cash flows to be discounted by the new effective rate based on the adjusted recorded investment in a hedged loan. When the recorded investment of a loan has been adjusted under fair value hedge accounting, the effective rate is the discount rate that equates the present value of the loan’s future cash flows with that adjusted recorded investment. The adjustment under fair value hedge accounting of the loan’s carrying amount for changes in fair value attributable to the hedged risk under Section 815-25-35 shall be considered to be an adjustment of the loan’s recorded investment. Paragraph 815-25-35-11 explains that the loan’s original effective interest rate becomes irrelevant once the recorded amount of the loan is adjusted for any changes in its fair value.

>>> Measurement of Impairment when Foreclosure Is Probable

Regardless of the measurement method, a creditor shall measure impairment based on the fair value of the collateral when the creditor determines that foreclosure is probable. When a creditor determines that foreclosure is probable, a creditor shall remeasure the loan at the fair value of the collateral so that loss recognition is not delayed until actual foreclosure. However, the requirement to discount may not preclude the need to recognize additional loss when foreclosure is probable because estimates of expected future cash flows are not remeasured using a market rate and because estimates of expected future cash flows may change when a creditor determines that foreclosure is probable.

>> Interaction with Subtopic 450-20

The following provides guidance on the interaction between the impairment guidance for receivables in general, which is discussed in Subtopic 450-20, and the impairment guidance for loans that are identified for evaluation or that are individually considered impaired discussed in this Subsection.

In addition to the allowance calculated in accordance with the guidance in this Subsection, a creditor shall continue to recognize an allowance for credit losses necessary to comply with Subtopic 450-20. The total allowance for credit losses related to loans includes those amounts that have been determined in accordance with that Subtopic and with this Subsection. Double counting by applying this Subsection and then applying that Subtopic to measure the same loss again is inappropriate.

If a creditor concludes that an individual loan specifically identified for evaluation is impaired, the creditor shall not establish an allowance in addition to one measured under this Subsection. The allowance provided for a specific loan under this Subsection shall not be supplemented by an additional allowance under Subtopic 450-20. The allowance established under this Subsection shall be the sole measure of impairment for that loan. (See boxes C and G in the flowchart in paragraph 310-10-55-1). For a loan that is impaired, no additional loss recognition is appropriate under Subtopic 450-20 even if the measurement of impairment under this Subsection results in no allowance. For example, a
creditor might conclude for a collateral-dependent loan that it is impaired (because it is probable that the creditor will be unable to collect all the contractual interest and principal payments as scheduled in the loan agreement). The creditor might measure the impairment using the fair value of the collateral, which could result in no allowance if the fair value of the collateral is greater than the recorded investment in the loan. Another example would be when the recorded investment of an impaired loan has been written down to a level where no allowance is required.

35-36 If a creditor concludes that an individual loan specifically identified for evaluation is not impaired under this Subsection, that loan may be included in the assessment of the allowance for loan losses under Subtopic 450-20, but only if specific characteristics of the loan indicate that it is probable that there would be an incurred loss in a group of loans with those characteristics. Characteristics or risk factors must be specifically identified to support an accrual for losses that have been incurred but that have not yet reached the point where it is probable that amounts will not be collected on a specific individual loan. A creditor shall not ignore factors and information obtained in the evaluation of the loan's collectibility. For example, if an individual loan specifically identified for evaluation is fully collateralized with risk-free assets, then consideration of that loan as sharing characteristics with a group of uncollateralized loans is inappropriate. Under Subtopic 450-20, a loss is recognized if characteristics of a loan indicate that it is probable that a group of similar loans includes some losses even though the loss could not be identified to a specific loan. However, a loss would be recognized only if it is probable that the loss has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. (See boxes D, E, and F in the flowchart in paragraph 310-10-55-1.)

>> Changes in the Net Carrying Amount of an Impaired Loan

35-37 After the initial measurement of impairment, if there is a significant change (increase or decrease) in the amount or timing of an impaired loan's expected future cash flows, or if actual cash flows are significantly different from the cash flows previously projected, a creditor shall recalculate the impairment by applying the procedures specified in paragraphs 310-10-35-21 through 35-22 and 310-10-35-24 through 35-26 and by adjusting the valuation allowance. Similarly, a creditor that measures impairment based on the observable market price of an impaired loan or the fair value of the collateral of an impaired collateral-dependent loan shall adjust the valuation allowance if there is a significant change (increase or decrease) in either of those bases. However, the net carrying amount of the loan shall at no time exceed the recorded investment in the loan.

35-38 When an asset is carried on a discounted basis, the present value of expected future cash flows will increase from one reporting period to the next as a result of the passage of time. The present value also may change from changes in estimates of the timing or amount of expected future cash flows. Similarly, the observable market price of an impaired loan or the fair value of the collateral of an impaired collateral-dependent loan may change from one reporting period to the next. Because the net carrying amount of an impaired loan shall be the present value of expected future cash flows (or the observable market price or the fair value of the collateral) not only at the date at which impairment initially is recognized but also at each subsequent reporting period, recognition of changes in that measure is required. However, the net carrying amount of the loan shall never exceed the recorded investment in the loan.

35-39 Except as noted in the next paragraph, this Subsection does not address how a creditor should recognize, measure, or display interest income on an impaired loan. Some accounting methods for recognizing income may result in a recorded investment in an impaired loan that is less than the present value of expected future cash flows (or, alternatively, the observable market price of the loan or the fair value of the collateral). In that case, while the loan would meet the definition of an impaired loan in paragraphs 310-10-35-16 through 35-17, no additional impairment would be recognized. Those accounting methods include recognition of interest income using a cost-recovery method, a cash-basis method, or some combination of those methods. The recorded investment in an impaired loan also may be less than the present value of expected future cash flows (or, alternatively, the observable market price of the loan or the fair value of the collateral) because the creditor has charged off part of the loan.
The following are two alternative income recognition methods to account for changes in the net carrying amount of an impaired loan subsequent to the initial measure of impairment:

a. Under the first income recognition method, a creditor shall accrue interest on the net carrying amount of the impaired loan and report other changes in the net carrying amount of the loan as an adjustment to bad-debt expense.

b. Under the second income recognition method, a creditor shall recognize all changes in the net carrying amount of the loan as an adjustment to bad-debt expense. See paragraph 310-10-50-19 for a disclosure requirement related to this method.

Those income recognition methods are not required, and a creditor is not precluded from using either of those methods.

> Credit Losses for Loans and Trade Receivables

Credit losses for loans and trade receivables, which may be for all or part of a particular loan or trade receivable, shall be deducted from the allowance. The related loan or trade receivable balance shall be charged off in the period in which the loans or trade receivables are deemed uncollectible. Recoveries of loans and trade receivables previously charged off shall be recorded when received.

Practices differ between entities as some industries typically credit recoveries directly to earnings while financial institutions typically credit the allowance for loan losses for recoveries. The combination of this practice and the practice of frequently reviewing the adequacy of the allowance for loan losses results in the same credit to earnings in an indirect manner.

> Credit Losses for Standby Letters of Credit and Certain Loan Commitments

Paragraph 825-10-35-1 states that an accrual for credit loss on a financial instrument with off-balance-sheet risk (including standby letters of credit and certain loan commitments) shall be recorded separate from a valuation account related to a recognized financial instrument and provides related guidance.

> Subsequent Measurement of Specific Types of Receivables

The following provides guidance on aspects of subsequent measurement for various types of receivables, specifically:

a. Financial assets subject to prepayment

b. Standby commitments to purchase loans

c. Loans and trade receivables not held for sale

d. Nonmortgage loans held for sale
e. Loans not previously held for sale

f. Amortization of discount or premium on notes

g. Premium allocated to loans purchased in a credit card portfolio

h. Hedged portfolios of loans.

>> Financial Assets Subject to Prepayment

35-45 Paragraph 860-20-35-2 requires that financial assets, except for instruments that are within the scope of Subtopic 815-10, that can contractually be prepaid or otherwise settled in such a way that the holder would not recover substantially all of its recorded investment be subsequently measured like investments in debt securities classified as available for sale or trading under Topic 320.

>> Standby Commitments to Purchase Loans

35-46 This paragraph applies only to standby commitments to purchase loans. It does not apply to other customary kinds of commitments to purchase loans, nor does it apply to commitments to originate loans. If a standby commitment is accounted for as a written put option as discussed in paragraph 310-10-25-6, the liability recorded at the amount of the option premium received (representing the fair value of the standby commitment on the trade date) shall thereafter be accounted for at the greater of the initial standby commitment fee or the fair value of the written put option. Unrealized gains (that is, recoveries of unrealized losses) or losses shall be credited or charged to current operations. However, see Subtopic 815-10 for guidance on accounting for written put options that are within the scope of that Subtopic.

>> Loans and Trade Receivables Not Held for Sale

35-47 Loans and trade receivables that management has the intent and ability to hold for the foreseeable future or until maturity or payoff shall be reported in the balance sheet at outstanding principal adjusted for any chargeoffs, the allowance for loan losses (or the allowance for doubtful accounts), any deferred fees or costs on originated loans, and any unamortized premiums or discounts on purchased loans. (Discounts offered as a result of the pricing of a sale or a product or service may be termed sales discounts. This Subsection does not address these discounts.)

>> Nonmortgage Loans Held for Sale

35-48 Nonmortgage loans held for sale shall be reported at the lower of cost or fair value. This paragraph applies only to nonmortgage loans. See Topic 948 for guidance related to mortgage loans classified as held for sale.

>> Loans Not Previously Held for Sale
This paragraph applies to both mortgage and nonmortgage loans. Once a decision has been made to sell loans not previously classified as held for sale, such loans shall be transferred into the held-for-sale classification and carried at the lower of cost or fair value. At the time of the transfer into the held-for-sale classification, any amount by which cost exceeds fair value shall be accounted for as a valuation allowance.

>> Amortization of Discount or Premium on Notes

See paragraph 835-30-35-2 for guidance related to amortization of discounts or premiums.

See Subtopic 835-30 for further guidance on situations in which interest shall be imputed.

>> Premium Allocated to Loans Purchased in a Credit Card Portfolio

When an entity purchases a credit card portfolio that includes the cardholder relationships as discussed in paragraph 310-10-25-7, at an amount that exceeds the sum of the amounts due under the credit card receivables, the premium allocated to the loans shall be amortized over the life of the loans in accordance with Subtopic 310-20. If the credit card agreement provides for a repayment period beyond expiration of the card if the card is not renewed, that period shall be considered in determining the life of the credit card loan.

>> Hedged Portfolios of Loans

Entities sometimes wish to hedge risk associated with portfolios of loans or specific loan cash flows. See Section 815-20-55 for implementation guidance in such situations.

Acquisition, Development, and Construction Arrangements

This Subsection provides the following subsequent measurement guidance:

a. Lender interest in expected residual profit

b. Changes in initial determination factors

c. Other matters.

> Changes in Initial Determination Factors

The factors that were evaluated in determining the accounting treatment at inception subsequently change for some acquisition, development, and construction arrangements, for example, as a result of a renegotiation of the terms. Consequently, the accounting treatment for an acquisition, development, and construction arrangement shall be periodically reassessed.
An acquisition, development, and construction arrangement originally classified as an investment or joint venture could subsequently be treated as a loan if the risk to the lender diminishes significantly, and the lender will not be receiving over 50 percent of the expected residual profit in the project. The lender shall demonstrate a change in the facts relied upon when initially making the accounting decision, not just the absence of, or reduced participation in, the expected residual profit. For instance, risk may be reduced if a valid take-out commitment from another lender who has the capability to perform under the commitment is obtained and all conditions affecting the take-out commitment have been met, thus assuring the primary lender recovery of its funds.

Conversely, if the lender assumes further risks or rewards in an acquisition, development, and construction arrangement by, for example, releasing collateral supporting a guarantee or increasing its percentage of profit participation to over 50 percent, the lender’s position may change to that of an investor in real estate.

A change in classification is expected to occur infrequently and shall be supported by appropriate documentation. The change in factors in an acquisition, development, and construction arrangement shall be evaluated based on the guidance in this Subsection and accounted for prospectively.

A change in classification is expected to occur infrequently and shall be supported by appropriate documentation. The change in factors in an acquisition, development, and construction arrangement shall be evaluated based on the guidance in this Subsection and accounted for prospectively.

If an acquisition, development, and construction arrangement accounted for as a real estate joint venture continues into a permanent phase with the project generating a positive cash flow and paying debt service currently, income shall be recognized in accordance with Topic 970.

> Other Matters

Regardless of the accounting treatment for an acquisition, development, and construction arrangement, management shall on a continuing basis review the collectibility of uncollected principal, accrued interest, and fees and provide for appropriate allowances.
310-10-40 Derecognition

**General Note:** The Derecognition Section provides guidance on determining whether and when an entity should remove an item from the financial statements. For example, the entity would derecognize an asset because it no longer has rights to the asset or it would derecognize a liability because it no longer has any obligation.

**General**

> Transfers of Receivables

40-1 See Topic 860 for guidance on a transferor's accounting for transfers of receivables. Subtopic 860-10 establishes criteria that are required to be satisfied for derecognition of a transferred asset. Subtopic 860-20 provides guidance for accounting for transfers of assets, including accounting for transfers of receivables in securitization transactions, transfers of receivables with recourse, and factoring arrangements.

Acquisition, Development, and Construction Arrangements

40-2 This Subsection provides derecognition guidance related to the sale of a lender's interest in expected residual profit.

40-3 The lender's share of the expected residual profit in a project may be sold to the borrower or a third party for cash or other consideration. If the expected residual profit in an acquisition, development, and construction arrangement accounted for as a loan is sold, the proceeds from the sale shall be recognized prospectively as additional interest over the remaining term of the loan. The expected residual profit is considered additional compensation to the lender, and the sale results in a quantification of the profit.

40-4 If an acquisition, development, and construction arrangement is accounted for as an investment in real estate or joint venture and the expected residual profit is sold, gain recognition, if any, is appropriate only if the criteria in Section 360-20-40 are met after giving consideration to the entire acquisition, development, and construction arrangement including the continuing relationship between the financial institution and the project.

**Pending Content:**

<table>
<thead>
<tr>
<th>Transition Date: (P) December 15, 2016; (N) December 15, 2018</th>
<th>Transition Guidance: 606-10-65-1</th>
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<tbody>
<tr>
<td>If an acquisition, development, and construction arrangement is accounted for as an investment in real estate or joint venture and the expected residual profit is sold, the entity shall apply the guidance in paragraphs 360-10-40-3A through 40-3B.</td>
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40-5 If a financial institution was the seller of the property at the initiation of the project, gain recognition, if any, should
be determined by reference to Section 360-20-40.

| Transition Date: (P) December 15, 2016; (N) December 15, 2018 | Transition Guidance: 606-10-65-1 |

If a financial institution was the seller of the property at the initiation of the project, the entity shall apply the guidance in paragraphs 360-10-40-3A through 40-3B. However, if the sale is part of a sale-leaseback transaction, gain recognition, if any, should be determined by reference to Section 360-20-40.

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**General Note:** The Other Presentation Matters Section provides guidance on other presentation matters not addressed in the Recognition, Initial Measurement, Subsequent Measurement, and Derecognition Sections. Other presentation matters may include items such as current or long-term balance sheet classification, cash flow presentation, earnings per share matters, and so forth. The FASB Codification also contains Presentation Topics, which provide guidance for general presentation and display items. See those Topics for general guidance.

**General**

45-1 This Subsection provides guidance on presentation matters for receivables, specifically:

a. Loans or trade receivables
b. Foreclosed and repossessed assets
c. Allowances
d. Bad-debt expense
e. Discount and premium
f. Unearned discounts
g. Receivables classified as current assets
h. Cash flows
i. Receivables from officers, employees, or affiliates
j. Note received as an equity contribution.

> Loans or Trade Receivables

45-2 Loans or trade receivables may be presented on the balance sheet as aggregate amounts. However, such receivables held for sale shall be a separate balance sheet category. Major categories of loans or trade receivables shall be presented separately either in the balance sheet or in the notes to the financial statements.

> Foreclosed or Repossessed Assets

45-3 Foreclosed and repossessed assets shall be classified as a separate balance sheet amount or included in other assets on the balance sheet with separate disclosures in the notes to financial statements. Certain returned or repossessed assets, such as inventory, shall not be classified separately if the assets subsequently are to be utilized by the entity in operations.

> Allowances

45-4 [Paragraph superseded by Accounting Standards Update No. 2012-04]

45-4A See the guidance in paragraph 210-10-45-13 for asset valuation allowances.

> Bad-Debt Expense

45-5 The change in present value from one reporting period to the next may result not only from the passage of time but also from changes in estimates of the timing or amount of expected future cash flows. A creditor that measures impairment based on the present value of expected future cash flows is permitted to report the entire change in present value as bad-debt expense. Alternatively, a creditor may report the change in present value attributable to the passage of
time as interest income. See paragraph 310-10-50-19 for a disclosure requirement applicable to creditors that choose the latter alternative and report changes in present value attributable to the passage of time as interest income.

45-6 The observable market price of an impaired loan or the fair value of the collateral of an impaired collateral-dependent loan may change from one reporting period to the next. Changes in observable market prices or the fair value of the collateral shall be reported as bad-debt expense or a reduction in bad-debt expense.

> Discount and Premium

45-7 See paragraphs 835-30-45-1A through 45-4 for guidance on presentation matters related to the discount or premium on a note.

> Unearned Discounts

45-8 Unearned discounts (other than cash or quantity discounts and similar items), finance charges, and interest included in the face amount of receivables shall be shown as a deduction from the related receivables.

> Receivables Classified as Current Assets

45-9 As indicated in its definition for accounting purposes, the term current assets is used to designate cash and other assets or resources commonly identified as those that are reasonably expected to be realized in cash or sold or consumed during the normal operating cycle of the business. Paragraph 210-10-45-1 notes that the term current assets comprehends the following types of receivables:

a. Trade accounts, notes, and acceptances receivable

b. Receivables from officers, employees, affiliates, and others, if collectible in the ordinary course of business within a year

c. Installment or deferred accounts and notes receivable if they conform generally to normal trade practices and terms within the business.

See Section 210-10-45 for further guidance on the required presentation of current assets in the balance sheet.

> Cash Flows

45-10 Paragraph 230-10-45-16 states that cash receipts from returns on loans, other debt instruments of other entities, and equity securities—interest and dividends shall be classified in the statement of cash flows as cash inflows from operating activities.

45-11 Paragraph 230-10-45-11 states that cash flows from purchases, sales, and maturities of available-for-sale securities shall be classified as cash flows from investing activities and reported gross in the statement of cash flows. Paragraph 230-10-45-21 states that some loans are similar to securities in a trading account in that they are originated or
purchased specifically for resale and are held for short periods of time.

45-12  See Topic 230 for further guidance on the classification of cash flows from receivables in the cash flow statement.

> Receivables from Officers, Employees, or Affiliates

45-13  As indicated in paragraph 850-10-50-2, notes or accounts receivable due from officers, employees, or affiliated companies shall be shown separately and not included under a general heading such as notes receivable or accounts receivable.

> Note Received as an Equity Contribution

45-14  For guidance on a note received as a contribution to an entity's equity, see paragraph 505-10-45-2. Reporting the note as an asset is generally not appropriate, except in very limited circumstances when there is substantial evidence of ability and intent to pay within a reasonably short period of time.

Acquisition, Development, and Construction Arrangements

45-15  Acquisition, development, and construction arrangements accounted for as investments in real estate or joint ventures shall be combined and reported in the balance sheet separately from those acquisition, development, and construction arrangements accounted for as loans.
310-10-50 Disclosure

Click here to link to 310-10-S50.

**General Note**: The Disclosure Section provides guidance regarding the disclosure in the notes to financial statements. In some cases, disclosure may relate to disclosure on the face of the financial statements.

**General**

50-1 This Subsection provides the following disclosure guidance for receivables, off-balance-sheet credit exposures, and foreclosed and repossessed assets:

a. Accounting policies for loans and trade receivables
b. Assets serving as collateral
c. Nonaccrual and past due financing receivables
d. Accounting policies for off-balance-sheet credit exposures
e. Foreclosed and repossessed assets
f. Allowance for credit losses
g. Impaired loans
h. Loss contingencies
i. Risks and uncertainties
j. **Fair value** disclosures
k. Credit quality information
l. Modifications.

> **Accounting Policies for Loans and Trade Receivables**

50-1A The guidance in paragraphs 310-10-50-2 through 50-4A applies only to the following **financing receivables**:

a. Loans
b. Trade receivables.

50-2 The summary of significant accounting policies shall include the following:

a. The basis for accounting for loans and trade receivables
b. The method used in determining the lower of cost or fair value of nonmortgage loans held for sale (that is, aggregate or individual asset basis)

c. The classification and method of accounting for interest-only strips, loans, other receivables, or retained interests in securitizations that can be contractually prepaid or otherwise settled in a way that the holder would not recover substantially all of its recorded investment

d. The method for recognizing interest income on loan and trade receivables, including a statement about the entity's policy for treatment of related fees and costs, including the method of amortizing net deferred fees or costs.

50-3 If major categories of loans or trade receivables are not presented separately in the balance sheet (see paragraph 310-10-45-2), they shall be presented in the notes to the financial statements.

50-4 The allowance for credit losses (also referred to as the allowance for doubtful accounts) and, as applicable, any unearned income, any unamortized premiums and discounts, and any net unamortized deferred fees and costs, shall be disclosed in the financial statements.

50-4A Except for credit card receivables, an entity shall disclose its policy for charging off uncollectible trade accounts receivable that have both of the following characteristics:

a. They have a contractual maturity of one year or less

b. They arose from the sale of goods or services.

> Assets Serving as Collateral

50-5 For required disclosures of the carrying amount of loans, trade receivables, securities and financial instruments that serve as collateral for borrowings, see paragraph 860-30-50-1A.

> Nonaccrual and Past Due Financing Receivables

50-5A The guidance in paragraphs 310-10-50-6 through 50-8 does not apply to loans acquired with deteriorated credit quality (accounted for under Subtopic 310-30).

50-5B The guidance in paragraphs 310-10-50-6 through 50-7A shall be provided by class of financing receivable except for the following financing receivables:

a. Receivables measured at fair value with changes in fair value reported in earnings

b. Receivables measured at lower of cost or fair value

c. Trade accounts receivable, except for credit card receivables, that have both of the following characteristics:

1. They have a contractual maturity of one year or less.

2. They arose from the sale of goods or services.

d. Participant loans in defined contribution pension plans.
50-6  An entity's summary of significant accounting policies for financing receivables shall include all of the following:

a. The policy for placing financing receivables, if applicable, on nonaccrual status (or discontinuing accrual of interest)

b. The policy for recording payments received on nonaccrual financing receivables, if applicable

c. The policy for resuming accrual of interest

d. [Subparagraph superseded by Accounting Standards Update No. 2010-20]

e. The policy for determining past due or delinquency status.

50-7  An entity shall provide both of the following disclosures related to nonaccrual and past due financing receivables as of each balance sheet date:

a. The recorded investment in financing receivables on nonaccrual status

b. The recorded investment in financing receivables past due 90 days or more and still accruing.

50-7A An entity shall provide an analysis of the age of the recorded investment in financing receivables at the end of the reporting period that are past due, as determined by the entity's policy.

50-7B The guidance in paragraph 310-10-50-7A does not apply to the following financing receivables:

a. Receivables measured at fair value with changes in fair value reported in earnings

b. Receivables measured at lower of cost or fair value

c. Except for credit card receivables, trade accounts receivable that have both of the following characteristics:
   1. They have a contractual maturity of one year or less.
   2. They arose from the sale of goods or services.

d. Participant loans in defined contribution pension plans.

50-8  For trade receivables that do not accrue interest until a specified period has elapsed, nonaccrual status would be the point when accrual is suspended after the receivable becomes past due.

> Accounting Policies for Off-Balance-Sheet Credit Exposures

50-9  In addition to disclosures required by Subtopic 450-20, an entity shall disclose a description of the accounting policies and methodology the entity used to estimate its liability for off-balance-sheet credit exposures and related charges for those credit exposures. Such a description shall identify the factors that influenced management's judgment (for example, historical losses and existing economic conditions) and a discussion of risk elements relevant to particular categories of financial instruments.

50-10 Off-balance-sheet credit exposures refers to credit exposures on off-balance-sheet loan commitments, standby letters of credit, financial guarantees, and other similar instruments, except for instruments within the scope of Topic 815.
> Foreclosed and Repossessed Assets

50-11 Paragraph 310-10-45-3 states that foreclosed and repossessed assets included in other assets on the balance sheet shall have separate disclosures in the notes to financial statements.

Pending Content:


Paragraph 310-10-45-3 states that foreclosed and repossessed assets included in other assets on the statement of financial position shall have separate disclosures in the notes to financial statements. An entity shall also disclose the carrying amount of foreclosed residential real estate properties held at the reporting date as a result of obtaining physical possession in accordance with paragraphs 310-40-40-6 and 310-40-55-10A.

> Allowance for Credit Losses Related to Financing Receivables

50-11A The guidance in paragraph 310-10-50-11B does not apply to the following financing receivables:

a. Financing receivables listed in paragraph 310-10-50-7B

b. Lessor’s net investments in leveraged leases.

50-11B An entity shall disclose all of the following by portfolio segment:

a. A description of the entity’s accounting policies and methodology used to estimate the allowance for credit losses, including all of the following:

   1. A description of the factors that influenced management’s judgment, including both of the following:
      i. Historical losses
      ii. Existing economic conditions.

   2. A discussion of risk characteristics relevant to each portfolio segment

   3. Identification of any changes to the entity’s accounting policies or methodology from the prior period and the entity’s rationale for the change.

b. A description of the policy for charging off uncollectible financing receivables

c. The activity in the allowance for credit losses for each period, including all of the following:

   1. The balance in the allowance at the beginning and end of each period

   2. Current period provision

   3. Direct write-downs charged against the allowance

   4. Recoveries of amounts previously charged off.
d. The quantitative effect of changes identified in item (a)(3) on item (c)(2)

e. The amount of any significant purchases of financing receivables during each reporting period

f. The amount of any significant sales of financing receivables or reclassifications of financing receivables to held for sale during each reporting period

g. The balance in the allowance for credit losses at the end of each period disaggregated on the basis of the entity's impairment method

h. The recorded investment in financing receivables at the end of each period related to each balance in the allowance for credit losses, disaggregated on the basis of the entity's impairment methodology in the same manner as the disclosure in item (g).

50-11C To disaggregate the information required by items (g) and (h) in the preceding paragraph on the basis of the impairment methodology, an entity shall separately disclose the following amounts:

a. Amounts collectively evaluated for impairment (determined under Subtopic 450-20)

b. Amounts individually evaluated for impairment (determined under Section 310-10-35)

c. Amounts related to loans acquired with deteriorated credit quality (determined under Subtopic 310-30).

50-12 [Paragraph superseded by Accounting Standards Update No. 2010-20]

50-13 [Paragraph superseded by Accounting Standards Update No. 2010-20]

50-14 Asset valuation allowances required by paragraph 210-10-45-13 shall have an appropriate disclosure.

> Impaired Loans

50-14A For each class of financing receivable, an entity shall disclose both of the following for loans that meet the definition of an impaired loan in paragraphs 310-10-35-16 through 35-17 (individually evaluated for impairment):

a. The accounting for impaired loans

b. The amount of impaired loans.

50-15 An entity shall disclose all of the following information about loans that meet the definition of an impaired loan in paragraphs 310-10-35-16 through 35-17 by class of financing receivable:

a. As of the date of each statement of financial position presented:

1. [Subparagraph superseded by Accounting Standards Update No. 2010-20]

2. [Subparagraph superseded by Accounting Standards Update No. 2010-20]

3. The recorded investment in the impaired loans and both of the following:

   i. The amount of that recorded investment for which there is a related allowance for credit losses determined in accordance with Section 310-10-35 and the amount of that allowance
ii. The amount of that recorded investment for which there is no related allowance for credit losses
determined in accordance with Section 310-10-35.

4. The total unpaid principal balance of the impaired loans.

b. The entity's policy for recognizing interest income on impaired loans, including how cash receipts are recorded
c. For each period for which results of operations are presented:

1. The average recorded investment in the impaired loans
2. The related amount of interest income recognized during the time within that period that the loans were impaired
3. The amount of interest income recognized using a cash-basis method of accounting during the time within
   that period that the loans were impaired, if practicable.
d. The entity's policy for determining which loans the entity assesses for impairment under Section 310-10-35
e. The factors considered in determining that the loan is impaired.

50-16 Those disclosures shall be provided for impaired loans that have been charged off partially. Those disclosures
cannot be provided for loans that have been charged off fully because both the recorded investment and the allowance
for credit losses will equal zero.

50-17 This guidance does not specify how a creditor shall calculate the average recorded investment in the impaired
loans during the reporting period. A creditor shall develop an appropriate method for that calculation. Averages based on
month-end balances may be considered an appropriate method.

50-18 Information about loans meeting the scope of Subtopic 310-30 shall be included in the disclosures required by
paragraph 310-10-50-15(a) through (b) if the condition in paragraphs 320-10-35-18 through 35-34 or 450-20-25-2(a), as
discussed in paragraphs 310-30-35-8(a) and 310-30-35-10(a), is met.

50-19 Paragraphs 310-10-45-5 through 45-6 explains that a creditor that measures impairment based on the present
value of expected future cash flows is permitted to report the entire change in present value as bad-debt expense but
may also report the change in present value attributable to the passage of time as interest income. Creditors that choose
the latter alternative shall disclose the amount of interest income that represents the change in present value attributable
to the passage of time.

50-20 The following table summarizes the scope of the disclosure requirements in paragraph 310-10-50-15.

> Loss Contingencies

50-21 Paragraph 450-20-50-3 provides disclosure guidance for circumstances in which no accrual is made for a loss
contingency because one or both of the conditions in paragraph 450-20-25-2 (probable and reasonably estimated) are
not met, or if an exposure to loss exists in excess of the amount accrued pursuant to the provisions of paragraph 450-20-
25-2. The disclosures required by paragraphs 450-20-50-3 through 50-6 do not apply to loss contingencies arising from
an entity’s estimation of its allowance for credit losses.

50-22  [Paragraph superseded by Accounting Standards Update No. 2010-20]

50-23  [Paragraph superseded by Accounting Standards Update No. 2010-20]

50-24  See Section 450-20-50 for further guidance on required disclosures for loss contingencies.

> Risks and Uncertainties

50-25  Certain loan products have contractual terms that expose entities to risks and uncertainties that fall into one or more categories, as discussed in paragraph 275-10-50-1. See Section 275-10-50 for disclosure guidance related to those loan products.

> Fair Value Disclosures

50-26  Section 825-10-50 provides guidance on the required disclosure of fair values of certain assets and liabilities. Paragraph 825-10-50-14 explains that, for trade receivables and payables, no disclosure is required under that Subtopic if the carrying amount approximates fair value.

> Credit Quality Information

50-27  The guidance in paragraphs 310-10-50-28 through 50-30 does not apply to the financing receivables listed in paragraph 310-10-50-7B.

50-28  An entity shall provide information that enables financial statement users to do both of the following:

   a. Understand how and to what extent management monitors the credit quality of its financing receivables in an ongoing manner

   b. Assess the quantitative and qualitative risks arising from the credit quality of its financing receivables.

50-29  To meet the objective in the preceding paragraph, an entity shall provide quantitative and qualitative information by class about the credit quality of financing receivables, including all of the following:

   a. A description of the credit quality indicator

   b. The recorded investment in financing receivables by credit quality indicator

   c. For each credit quality indicator, the date or range of dates in which the information was updated for that credit quality indicator.

50-30  If an entity discloses internal risk ratings, then the entity shall provide qualitative information on how those internal risk ratings relate to the likelihood of loss.
> Modifications

50-31 Except as noted in the following paragraph, the guidance in paragraphs 310-10-50-33 through 50-34 applies only to a creditor’s troubled debt restructurings of financing receivables. For purposes of this disclosure guidance, a creditor’s modification of a lease receivable that meets the definition of a troubled debt restructuring is subject to this disclosure guidance.

50-32 This guidance does not apply to troubled debt restructurings of either of the following:

a. Financing receivables listed in paragraph 310-10-50-7B

b. Loans acquired with deteriorated credit quality (determined under Subtopic 310-30) that are accounted for within a pool.

50-33 For each period for which a statement of income is presented, an entity shall disclose the following about troubled debt restructurings of financing receivables that occurred during the period:

a. By class of financing receivable, qualitative and quantitative information, including both of the following:
   1. How the financing receivables were modified
   2. The financial effects of the modifications.

b. By portfolio segment, qualitative information about how such modifications are factored into the determination of the allowance for credit losses.

50-34 For each period for which a statement of income is presented, an entity shall disclose the following for financing receivables modified as troubled debt restructurings within the previous 12 months and for which there was a payment default during the period:

a. By class of financing receivable, qualitative and quantitative information about those defaulted financing receivables, including both of the following:
   1. The types of financing receivables that defaulted
   2. The amount of financing receivables that defaulted.

b. By portfolio segment, qualitative information about how such defaults are factored into the determination of the allowance for credit losses.

> Loans in Process of Foreclosure

50-35

<table>
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<tr>
<th>Pending Content:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transition Date:</strong></td>
</tr>
</tbody>
</table>

An entity shall disclose the recorded investment of consumer mortgage loans secured by residential real estate properties for which formal foreclosure proceedings are in process according to local requirements of the applicable jurisdiction.
310-10-55 Implementation Guidance and Illustrations

Click here to link to 310-10-S55.

**General Note:** The Implementation Guidance and Illustrations Section contains implementation guidance and illustrations that are an integral part of the Subtopic. The implementation guidance and illustrations do not address all possible variations. Users must consider carefully the actual facts and circumstances in relation to the requirements of the Subtopic.

**General**

> Implementation Guidance

>> Diagram of Loan Impairment Guidance

55-1 The following diagram illustrates the application of loan impairment guidance discussed in Section 310-10-35.
Illustrations

>> Example 1: Application of Loan Impairment Guidance to a Loan Portfolio

55-2 This Example illustrates the guidance in paragraphs 310-10-35-13 through 35-24 and 310-10-35-34. Entity A (a bank) has 20 loans (not considered smaller-balance) to businesses in a town in which the principal employer is a major corporation. Some of the loans are secured by bonds or real estate, others are unsecured. The major corporation went bankrupt and fired all of its workers. Entity A concludes that the loss of that employer has had a dire effect on the economic health of the community and its businesses. Entity A decides to review all 20 of the loans individually.

55-3 Two of the loans are not performing, and Entity A concludes that it is probable it will be unable to collect all of the cash flows on those loans as scheduled. Another five borrowers have approached Entity A for a concession, but those discussions are incomplete. Based on all available information, Entity A concludes that each of those five loans also is impaired. Entity A is unable to identify any other individual loan among the remaining 13 for which it is probable that it will not collect all of the cash flows.

55-4 Entity A would measure impairment on the seven loans that are individually impaired using a method permitted by Section 310-10-35, as appropriate for the loan. Entity A would consider all available information to measure the amount of the loss including the value of any collateral. If the value of the collateral, less selling costs, exceeds the recorded investment in the loan, no allowance would be provided. Entity A would consider its own experience or, to the extent relevant, the industry's collection experience in similar situations as part of the available information. In doing so, Entity A would consider the effect of information it possesses about the current economic downturn in making its best estimate of expected future cash flows for those seven loans.

55-5 Entity A would then assess whether it is probable that any loss has been incurred on the remaining 13 loans. If three of those loans are fully collateralized, no allowance should be provided under Subtopic 450-20 for those loans and they should be excluded from the assessment of the remaining 10 loans. Entity A would consider the effect of the current economic downturn to assess whether a loss has been incurred in that group of loans at the balance sheet date and to estimate the amount of loss. In doing so, Entity A would consider its historical loss experience in collecting loans in similar situations, such as the typical recovery rate, including amount and timing. However, the use of historical statistics alone would be inappropriate if the nature of the loans or current environmental conditions differ from those on which the statistics were based. Any allowance that is recorded under that Subtopic must be reasonably estimable and supported by an analysis of all available and relevant information about circumstances that exist at the balance sheet date.

55-6 The total allowance for the 20 loans should be the sum of the above components. A total allowance greater than the sum of the above components would be excessive. A total allowance less than the sum of the above components would be inadequate.

>> Example 2: Disclosures about Credit Quality and the Allowance for Credit Losses

55-7 The following table illustrates certain of the disclosures required by paragraph 310-10-50-11B(c), (g), and (h).
55-8 The following table illustrates certain of the disclosures required by paragraph 310-10-50-29(b).

55-9 The following table illustrates certain of the disclosures required by paragraphs 310-10-50-7(b) and 310-10-50-7A.

55-10 The following table illustrates certain of the disclosures required by paragraph 310-10-50-15.

55-11 The following table illustrates certain of the disclosures required by paragraph 310-10-50-7(a).

55-12 The following table illustrates certain of the disclosures required by paragraphs 310-10-50-33 through 50-34.

>> **Meaning of Financing Receivable**

55-13 This implementation guidance addresses the meaning of the term *financing receivable*.

55-14 All of the following are examples of financing receivables:

   a. Loans

   b. Trade accounts receivable

   c. Notes receivable

   d. Credit cards

   e. Receivables relating to a lessor's right(s) to payment(s) from a lease other than an operating lease that should be recognized as assets in accordance with the following paragraphs:

      1. Paragraph 840-30-25-8 (for leveraged leases)
2. Paragraph 840-30-25-7 (for direct financing leases)
3. Paragraph 840-30-25-6 (for sales-type leases).

55-15 None of the following meet the definition of financing receivables:

a. **Debt securities** within the scope of Topic 320 (see the guidance beginning in paragraph 320-10-15-5)

b. Unconditional promises to give (for example, contributions receivable) that should be recognized as an asset in accordance with paragraphs 958-605-25-7 through 25-15

c. Both of the following instruments, which are within the scope of Subtopic 325-40:
   1. A transferor’s interests in securitization transactions that are accounted for as sales under Topic 860
   2. Purchased beneficial interests in securitized financial assets.

For related guidance, see paragraph 325-40-15.

**>> Application of the Definition of Class of Financing Receivable**

55-16 This implementation guidance addresses application of the term **class of financing receivable**. An entity should base its principal determination of class of financing receivable on both of the following:

a. Initial measurement attribute. Classes should first segregate financing receivables on the basis of the model under which they were initially recorded, such as any of the following:
   1. Amortized cost
   2. Loans acquired with deteriorated credit quality (accounted for in accordance with Subtopic 310-30).

b. Entity assessment. Classes should secondarily be disaggregated to the level that an entity uses when assessing and monitoring the risk and performance of the portfolio for various types of financing receivables. This assessment should consider the risk characteristics of the financing receivables.

55-17 In determining the appropriate level of its internal reporting to use as a basis for disclosure, an entity should consider the level of detail needed by a user to understand the risks inherent in the entity’s financing receivables. An entity could further disaggregate its financing receivables portfolio by considering numerous factors. Examples of factors that the entity should consider include any of the following:

a. Categorization of borrowers, such as any of the following:
   1. Commercial loan borrowers
   2. Consumer loan borrowers
   3. **Related party** borrowers.

b. Type of financing receivable, such as any of the following:
   1. Mortgage loans
2. Credit card loans

3. Interest-only loans


c. Industry sector, such as either of the following:

1. Real estate

2. Mining.

d. Type of collateral, such as any of the following:

1. Residential property

2. Commercial property

3. Government-guaranteed collateral

4. Uncollateralized (unsecured) financing receivables.

e. Geographic distribution, including both of the following:

1. Domestic

2. International.

An entity also may consider factors related to concentrations of credit risk as discussed in Section 825-10-55.

55-18 Classes of financing receivables generally are a disaggregation of a portfolio segment. For determining the appropriate classes of financing receivables that are related to a portfolio segment, the portfolio segment is the starting point with further disaggregation in accordance with the guidance in paragraphs 310-10-55-16 through 55-17. The determination of class for financing receivables that are not related to a portfolio segment (because there is no associated allowance) also should be based on the guidance in those paragraphs.

>> Meaning of Credit Quality Indicator

55-19 This implementation guidance addresses application of the term credit quality indicator. Examples of credit quality indicators include all of the following:

a. Consumer credit risk scores

b. Credit-rating-agency ratings

c. An entity’s internal credit risk grades

d. Loan-to-value ratios

e. Collateral

f. Collection experience
55-20 An entity should use judgment in determining the appropriate credit quality indicator for each class of financing receivables. As of the balance sheet date, the entity should use the most current information it has obtained for each credit quality indicator.

>> Meaning of Portfolio Segment

55-21 This implementation guidance addresses the meaning of the term portfolio segment. All of the following are examples of portfolio segments:

a. Type of financing receivable
b. Industry sector of the borrower
c. Risk rate(s).

>> Determining Class of Financing Receivable and Portfolio Segment

55-22 A creditor should determine, in light of the facts and circumstances, both of the following:

a. How much detail it must provide to satisfy the requirements of Section 310-10-50
b. How it disaggregates information into classes for assets with different risk characteristics.

A creditor must strike a balance between obscuring important information as a result of too much aggregation and overburdening financial statements with excessive detail that may not assist financial statement users to understand the entity’s financing receivables and allowance for credit losses. For example, a creditor should not obscure important information by including it with a large amount of insignificant detail. Similarly, a creditor should not disclose information that is so aggregated that it obscures important differences between the different types of financing receivables and associated risks.
310-10 Overall
310-10-60 Relationships

General Note: The Relationships Section contains links to guidance that may be helpful to, but not required by, a user of the Subtopic. This Section may not be all-inclusive. The relationship items are organized according to the Topic structure in the Codification.

General

> Liabilities

60-1 For receivables related to recovery of insurance-related assessments, see paragraph 405-30-25-8.

> Contingencies

60-2 For accounting guidance for loss contingencies, including guidance on accrual of an estimated loss from a loss contingency, see Subtopic 450-20.

> Guarantees

60-3 For guidance related to the accounting by a guarantor at the inception of a guarantee issued, see Topic 460.

> Revenue Recognition

60-4 For guidance on loan guarantees, in which an entity (guarantor) lends its creditworthiness to another party (borrower) for a fee, thereby enhancing that other party's ability to borrow funds, see Subtopic 605-20.

Pending Content:

<table>
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<th>Transition Date: (P) December 15, 2016; (N) December 15, 2018</th>
<th>Transition Guidance: 606-10-65-1</th>
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<tr>
<td>For guidance on loan guarantees, in which an entity (guarantor) lends its creditworthiness to another party (borrower) for a fee,</td>
<td></td>
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thereby enhancing that other party's ability to borrow funds, see Topic 606 on revenue from contracts with customers.

> Transfers and Servicing

60-5 For guidance on accounting for transfers of all financial assets, including receivables, see Subtopic 860-20.

60-6 For guidance on the accounting for servicing assets and liabilities related to loans and other receivables, see Subtopic 860-50.

310-10-65 Transition and Open Effective Date Information

**General Note:** The Transition Section contains a description of the required transition provisions and a list of the related paragraphs that have been modified. This Section will retain the transition content during the transition period. After the transition period, the transition content will be removed yet will be available in archived versions of the Section.

**General**


65-2 Paragraph superseded on 06/18/2012 after the end of the transition period stated in Accounting Standards Update
No. 2010-20, Receivables (Topic 310): Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses.

65-3  Paragraph superseded on 06/18/2012 after the end of the transition period stated in Accounting Standards Update No. 2011-01, Receivables (Topic 310): Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20.

END OF DOCUMENT -

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Accounts Receivable, Additional Narrative Disclosure

Element Name: AccountsReceivableAdditionalNarrativeDisclosure

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-8
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.3)
- 835 Interest > 30 Imputation of Interest > 45 Other Presentation > General, 45-2
- 860 Transfers and Servicing > 20 Sales of Financial Assets > 50 Disclosure > General, 50-5

Agency Securities [Member]

Element Name: AgencySecuritiesMember

This XBRL element references the following glossary term(s):

- Master Glossary > Debt Security

Allowance for Credit Losses on Financing Receivables [Table Text Block]

Element Name: AllowanceForCreditLossesOnFinancingReceivablesTableTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B

Allowance for Doubtful Accounts Receivable (Revision Date: 2012-10-16)

Element Name: AllowanceForDoubtfulAccountsReceivable

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.4)

Allowance for Doubtful Accounts Receivable, Current
Element Name: AllowanceForDoubtfulAccountsReceivableCurrent
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.4)

Allowance for Doubtful Accounts Receivable, Noncurrent

Element Name: AllowanceForDoubtfulAccountsReceivableNoncurrent
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.17)

Allowance for Doubtful Accounts Receivable, Write-offs (Revision Date: 2013-08-11)

Element Name: AllowanceForDoubtfulAccountsReceivableWriteOffs
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.4)
- 954 Health Care Entities > 310 Receivables > 50 Disclosure > General, 50-3 (b)

Allowance for Doubtful Accounts, Premiums and Other Receivables

Element Name: AllowanceForDoubtfulAccountsPremiumsAndOtherReceivables
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03. (a), 5)

Allowance for Loan and Lease Loss, Recovery of Bad Debts (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossRecoveryOfBadDebts
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (4)

Allowance for Loan and Lease Losses, Adjustments, Net (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossesAdjustmentsNet
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Allowance for Loan and Lease Losses, Foreign Currency Translation (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossesForeignCurrencyTranslation

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

This XBRL element references the following glossary term(s):

• Master Glossary > Foreign Currency Translation

Allowance for Loan and Lease Losses, Loans Acquired (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossesLoansAcquired

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Allowance for Loan and Lease Losses, Loans Sold (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossesLoansSold

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Allowance for Loan and Lease Losses, Write-offs (Revision Date: 2013-11-25)

Element Name: AllowanceForLoanAndLeaseLossesWriteOffs

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (3)
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Allowance for Notes, Loans and Financing Receivable, Current

Element Name: AllowanceForNotesAndLoansReceivableCurrent

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.4)

Allowance for Notes, Loans and Financing Receivable, Noncurrent

Element Name: AllowanceForNotesAndLoansReceivableNoncurrent

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.4)

Available-for-sale Securities Pledged as Collateral

Element Name: AvailableForSaleSecuritiesPledgedAsCollateral

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

Available-for-sale Securities, Restricted

Element Name: AvailableForSaleSecuritiesRestricted

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > S99 SEC Materials > General, S99-1 (SX210.4-08 (b))

Certain Loans and Debt Securities Acquired in Transfer, Allowance for Credit Losses Due to Subsequent Impairment (Revision Date: 2013-10-21)

Element Name:
 CertainLoansAndDebtSecuritiesAcquiredInTransferAllowanceForCreditLossesDueToSubsequentImpairment

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-18

Certain Loans and Debt Securities Acquired in Transfer, No Allowance Recorded and No Subsequent Impairment
Certain Loans and Debt Securities Acquired in Transfer, Recognizing Interest Income on Impaired Loans, Policy

[Policy Text Block]

Class of Financing Receivable [Axis] (Revision Date: 2011-07-27)

Element Name: FinancingReceivableRecordedInvestmentByClassOfFinancingReceivableAxis

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Class of Financing Receivable [Domain] (Revision Date: 2011-07-27)

Element Name: FinancingReceivableRecordedInvestmentClassOfFinancingReceivableDomain

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

Collectibility of Receivables [Member]

Element Name: CollectibilityOfReceivablesMember
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 05 Background > General, 05-4
- 310 Receivables > 10 Overall > 35 Subsequent Measurement > General, 35-7

**Commercial Real Estate Construction Financing Receivable [Member]**

**Element Name:** CommercialRealEstateConstructionFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Commercial Real Estate Other Receivable [Member]**

**Element Name:** CommercialRealEstateOtherReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Consumer Credit Card Financing Receivable [Member]**

**Element Name:** ConsumerCreditCardFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Consumer Loans Auto Financing Receivable [Member]**

**Element Name:** ConsumerLoansAutoFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Consumer Other Financing Receivable [Member]**

**Element Name:** ConsumerOtherFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Credit Rating, AM Best [Axis] (Revision Date: 2012-11-22)**

**Element Name:** CreditRatingAMBestAxis

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
- 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

**Credit Rating, Fitch [Axis] (Revision Date: 2012-11-22)**
Element Name: CreditRatingFitchAxis
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
- 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

Credit Rating, Moody’s [Axis] (Revision Date: 2012-11-22)

Element Name: CreditRatingMoodysAxis
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
- 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

Credit Rating, Standard & Poor's [Axis] (Revision Date: 2012-11-22)

Element Name: CreditRatingStandardPoorsAxis
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
- 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

Customer's Liability for Acceptances, Gross

Element Name: CustomersLiabilityForAcceptancesGross
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7, 9)
- 942 Financial Services—Depository and Lending > 310 Receivables > 45 Other Presentation > General, 45-1

Customer's Liability for Acceptances, Net
Element Name: CustomersLiabilityForAcceptancesNet
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7, 9)

Debt Securities [Member] (Revision Date: 2012-11-26)
Element Name: DebtSecuritiesMember
This XBRL element references the following glossary term(s):
- Master Glossary > Debt Security

Debt Security [Axis]
Element Name: DebtSecurityAxis
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-5
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-6
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-7
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-10
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > Certain Contracts on Debt and Equity Securities, 50-9
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-3

Deferred Discounts, Finance Charges and Interest Included in Receivables
Element Name: DeferredDiscountsFinanceChargesAndInterestIncludedInReceivables
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-8

Derivative Asset, Current (Revision Date: 2012-08-19)
Element Name: DerivativeAssetsCurrent
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 210 Balance Sheet > 20 Offsetting > 50 Disclosure > General, 50-3 (c)
- 815 Derivatives and Hedging > 10 Overall > 45 Other Presentation > General, 45-5
- 815 Derivatives and Hedging > 10 Overall > 45 Other Presentation > General, 45-6
This XBRL element references the following glossary term(s):

- Master Glossary > Current Assets

Discontinued Operation, Amounts of Material Contingent Liabilities Remaining (Revision Date: 2011-11-30)

Element Name: DiscontinuedOperationAmountsOfMaterialContingentLiabilitiesRemaining

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-21

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 205 Presentation of Financial Statements > 20 Discontinued Operations > S99 SEC Materials > General, S99-2 (SAB TOPIC 5.Z.5 Q2)
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-1
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-3
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-4
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-5
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-6
- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-2

Discontinued Operation, Amounts of Material Contingent Liabilities Remaining (Revision Date: 2011-07-05)

Element Name: DiscontinuedOperationAmountsOfMaterialContingentLiabilitiesRemaining

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-21

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 205 Presentation of Financial Statements > 20 Discontinued Operations > S99 SEC Materials > General, S99-2 (SAB TOPIC 5.Z.5 Q2)
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-1
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-3
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-4
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-5
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-6
- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-2

Discontinued Operation, Description of Material Contingent Liabilities Remaining

Element Name: DiscontinuedOperationDescriptionOfMaterialContingentLiabilitiesRemaining

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-21

This XBRL element references the following paragraph(s) in other Subtopic(s):
• 205 Presentation of Financial Statements > 20 Discontinued Operations > S99 SEC Materials > General, S99-2 (SAB TOPIC 5.Z.5 Q2)
• 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-1
• 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-3
• 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-4
• 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-5
• 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-6
• 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-2

**Disposal Group, Including Discontinued Operation, Commercial and Industrial Loans (Revision Date: 2013-08-15)**

**Element Name:** LoansHeldForSaleCommercialAndIndustrial

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1))

**Disposal Group, Including Discontinued Operation, Commercial, Real Estate Loans (Revision Date: 2013-08-15)**

**Element Name:** LoansHeldForSaleCommercialRealEstate

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (2), (3))

**Disposal Group, Including Discontinued Operation, Consumer, Credit Card Loans (Revision Date: 2013-08-15)**

**Element Name:** LoansHeldForSaleConsumerCreditCard

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (7))

**Disposal Group, Including Discontinued Operation, Consumer, Home Equity Loans (Revision Date: 2013-08-15)**

**Element Name:** LoansHeldForSaleConsumerHomeEquity

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (7))

Disposal Group, Including Discontinued Operation, Consumer, Installment, Student Loans (Revision Date: 2013-08-15)

Element Name: LoansHeldForSaleConsumerInstallmentStudent
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4))

Disposal Group, Including Discontinued Operation, Loans Receivable, Net (Revision Date: 2013-08-15)

Element Name: LoansReceivableHeldForSaleNet
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a))
- 948 Financial Services—Mortgage Banking > 310 Receivables > 30 Initial Measurement > General, 30-1

Disposal Group, Including Discontinued Operation, Mortgage Loans (Revision Date: 2013-08-15)

Element Name: LoansHeldForSaleMortgages
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (3))
- 948 Financial Services—Mortgage Banking > 310 Receivables > 45 Other Presentation > General, 45-1

This XBRL element references the following glossary term(s):
- Master Glossary > Permanent Investor

Disposal Group, Including Discontinued Operation, Other Loans (Revision Date: 2013-08-15)

Element Name: LoansHeldForSaleOther
This XBRL element references the following paragraph(s) in this Subtopic:
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

**Disposal Group, Including Discontinued Operation, Trade Receivables (Revision Date: 2013-08-15)**

**Element Name:** TradeReceivablesHeldForSaleNet

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

**Doubtful [Member]**

**Element Name:** DoubtfulMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

**Due from Correspondent Brokers (Revision Date: 2013-11-22)**

**Element Name:** DueFromCorrespondentBrokers

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 940 Financial Services—Brokers and Dealers > 20 Broker-Dealer Activities > 25 Recognition > General, 25-1
- 940 Financial Services—Brokers and Dealers > 20 Broker-Dealer Activities > 45 Other Presentation > General, 45-3

**External Credit Rating by Grouping [Axis] (Revision Date: 2012-11-26)**

**Element Name:** ExternalCreditRatingByGroupingAxis

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
- 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

**External Credit Rating, Fitch [Domain] (Revision Date: 2012-11-21)**

**Element Name:** ExternalCreditRatingFitchMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4

**External Credit Rating, Moody's [Domain] (Revision Date: 2012-11-21)**

**Element Name:** ExternalCreditRatingMoodysMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4

**External Credit Rating, Standard & Poor's [Domain] (Revision Date: 2012-11-21)**

**Element Name:** ExternalCreditRatingStandardPoorsMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4

**Fair Value, Concentration of Risk, Loans Receivable**

**Element Name:** FairValueConcentrationOfRiskLoansReceivable

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Fair Value, Estimate Not Practicable, Loans Receivable**

**Element Name:** FairValueEstimateNotPracticableLoansReceivable

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Fair Value, Estimate Not Practicable, Reasons, Loans Receivable**

**Element Name:** FairValueEstimateNotPracticableReasonsLoansReceivable

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 825 Financial Instruments > 10 Overall > 50 Disclosure > General, 50-16 (b)

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Federal Funds Sold and Securities Purchased under Agreements to Resell Pledged as Collateral**

**Element Name:** FederalFundsSoldAndSecuritiesPurchasedUnderAgreementsToResellPledgedAsCollateral

This XBRL element references the following paragraph(s) in this Subtopic:
Finance Leases Financing Receivable [Member]

Element Name: FinanceLeasesFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

Finance, Loan and Lease Receivables, Held-for-investment, Allowance and Nonperforming Loans, Allowance Policy [Policy Text Block] (Revision Date: 2013-11-22)

Element Name:
FinanceLoanAndLeaseReceivablesHeldForInvestmentAllowanceAndNonperformingLoansAllowancePolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Finance, Loan and Lease Receivables, Held-for-investment, Allowance and Nonperforming Loans, Nonperforming Loans Policy [Policy Text Block]

Element Name:
FinanceLoanAndLeaseReceivablesHeldForInvestmentAllowanceAndNonperformingLoansNonperformingLoansPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Finance, Loan and Lease Receivables, Held-for-investment, Allowance and Nonperforming Loans, Policy [Policy Text Block]

Element Name: FinanceLoanAndLeaseReceivablesHeldForInvestmentAllowanceAndNonperformingLoansPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):
Finance, Loan and Lease Receivables, Held-for-investment, Policy [Policy Text Block]

Element Name: FinanceLoanAndLeaseReceivablesHeldForInvestmentPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

Finance, Loan and Lease Receivables, Held-for-sale, Policy [Policy Text Block]

Element Name: FinanceLoanAndLeaseReceivablesHeldForSalePolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

Finance, Loans and Leases Receivable, Policy [Policy Text Block]

Element Name: FinanceLoansAndLeasesReceivablePolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b, d)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

Financing Receivable Credit Quality Indicators [Table Text Block]

Element Name: FinancingReceivableCreditQualityIndicatorsTableTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29
- 310 Receivables > 10 Overall > 55 Implementation > General, 55-19
Financing Receivable, Acquired with Deteriorated Credit Quality

Element Name: FinancingReceivableAcquiredWithDeterioratedCreditQuality
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (h)

Financing Receivable, Allowance for Credit Losses

Element Name: FinancingReceivableAllowanceForCreditLosses
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (1)

Financing Receivable, Allowance for Credit Losses, Acquired with Deteriorated Credit Quality

Element Name: FinancingReceivableAllowanceForCreditLossesAcquiredWithDeterioratedCreditQuality
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)

Financing Receivable, Allowance for Credit Losses, Charge-offs (Revision Date: 2011-08-03)

Element Name: FinancingReceivableAllowanceForCreditLossWriteOffs
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (3)

Financing Receivable, Allowance for Credit Losses, Collectively Evaluated for Impairment

Element Name: FinancingReceivableAllowanceForCreditLossesCollectivelyEvaluatedForImpairment
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)

Financing Receivable, Allowance for Credit Losses, Effect of Change in Method

Element Name: FinancingReceivableAllowanceForCreditLossesEffectOfChangeInMethod
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (d)

Financing Receivable, Allowance for Credit Losses, Factors that Influenced Management's Judgment

Element Name: FinancingReceivableAllowanceForCreditLossesFactorsThatInfluencedManagementsJudgment
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (a) (1)

Financing Receivable, Allowance for Credit Losses, Individually Evaluated for Impairment (Revision Date: 2011-05-03)

Element Name: FinancingReceivableAllowanceForCreditLossesIndividuallyEvaluatedForImpairment
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)

**Financing Receivable, Allowance for Credit Losses, Period Increase (Decrease)**

*Element Name: FinancingReceivableAllowanceForCreditLossesPeriodIncreaseDecrease*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c)

**Financing Receivable, Allowance for Credit Losses, Policy for Uncollectible Amounts [Policy Text Block]** *(Revision Date: 2012-05-07)*

*Element Name: FinancingReceivableAllowanceForCreditLossesPolicyForUncollectibleAmounts*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (a, b)

**Financing Receivable, Allowance for Credit Losses, Policy or Methodology Change [Policy Text Block]**

*Element Name: FinancingReceivableAllowanceForCreditLossesPolicyOrMethodologyChangePolicyTextBlock*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (a) (3)

**Financing Receivable, Allowance for Credit Losses, Recovery (Revision Date: 2011-08-03)**

*Element Name: FinancingReceivableAllowanceForCreditLossesRecovery*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (4)

**Financing Receivable, Allowance for Credit Losses, Risk Characteristics**

*Element Name: FinancingReceivableAllowanceForCreditLossesRiskCharacteristics*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (a) (2)

**Financing Receivable, Allowance for Credit Losses, Write-downs (Revision Date: 2011-11-20)**

*Element Name: FinancingReceivableAllowanceForCreditLossesWriteOffs*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (3)

**Financing Receivable, Collectively Evaluated for Impairment**

*Element Name: FinancingReceivableCollectivelyEvaluatedForImpairment*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (h)
Financing Receivable, Credit Quality, Additional Information

Element Name: FinancingReceivableCreditQualityAdditionalInformation
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29 (a)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-30

Financing Receivable, Credit Quality, Date Ratings Updated

Element Name: FinancingReceivableCreditQualityDateRatingsUpdated
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29 (c)

Financing Receivable, Credit Quality, Range of Dates Ratings Updated

Element Name: FinancingReceivableCreditQualityRangeOfDatesRatingsUpdated
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29 (c)

Financing Receivable, Individually Evaluated for Impairment

Element Name: FinancingReceivableIndividuallyEvaluatedForImpairment
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (h)

Financing Receivable, Modifications, Determination of Allowance for Credit Losses (Revision Date: 2011-07-28)

Element Name: FinancingReceivableModificationsDeterminationOfAllowanceForCreditLosses1
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33

Financing Receivable, Modifications, Nature and Extent of Transaction (Revision Date: 2011-07-28)

Element Name: FinancingReceivableModificationsNatureAndExtentOfTransaction1
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33

Financing Receivable, Modifications, Number of Contracts (Revision Date: 2012-08-01)

Element Name: FinancingReceivableModificationsNumberOfContracts2
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33

Financing Receivable, Modifications, Post-Modification Recorded Investment (Revision Date: 2012-08-02)

Element Name: FinancingReceivableModificationsPostModificationRecordedInvestment2
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33

**Financing Receivable, Modifications, Pre-Modification Recorded Investment (Revision Date: 2012-08-01)**

*Element Name: FinancingReceivableModificationsPreModificationRecordedInvestment2*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33

**Financing Receivable, Modifications, Subsequent Default, Determination of Allowance for Credit Losses (Revision Date: 2011-07-28)**

*Element Name: FinancingReceivableModificationsSubsequentDefaultDeterminationOfAllowanceForCreditLosses*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

**Financing Receivable, Modifications, Subsequent Default, Nature and Extent of Transaction (Revision Date: 2011-07-28)**

*Element Name: FinancingReceivableModificationsSubsequentDefaultNatureAndExtentOfTransaction*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

**Financing Receivable, Modifications, Subsequent Default, Number of Contracts (Revision Date: 2012-08-01)**

*Element Name: FinancingReceivableModificationsSubsequentDefaultNumberOfContracts1*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

**Financing Receivable, Modifications, Subsequent Default, Recorded Investment (Revision Date: 2012-08-01)**

*Element Name: FinancingReceivableModificationsSubsequentDefaultRecordedInvestment1*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

**Financing Receivable, Reclassification to Held-for-sale**

*Element Name: FinancingReceivableReclassificationToHeldForSale*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (f)

**Financing Receivable, Recorded Investment, 1 to 29 Days Past Due**

*Element Name: FinancingReceivableRecordedInvestment1To29DaysPastDue*

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A
Financing Receivable, Recorded Investment, 30 to 59 Days Past Due

Element Name: FinancingReceivableRecordedInvestment30To59DaysPastDue
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Financing Receivable, Recorded Investment, 60 to 89 Days Past Due

Element Name: FinancingReceivableRecordedInvestment60To89DaysPastDue
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Financing Receivable, Recorded Investment, 90 Days Past Due and Still Accruing

Element Name: FinancingReceivableRecordedInvestment90DaysPastDueAndStillAccruing
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7 (d)

Financing Receivable, Recorded Investment, Current

Element Name: FinancingReceivableRecordedInvestmentCurrent
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Financing Receivable, Recorded Investment, Equal to Greater than 90 Days Past Due

Element Name: FinancingReceivableRecordedInvestmentEqualToGreaterThan90DaysPastDue
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Financing Receivable, Recorded Investment, Nonaccrual Status

Element Name: FinancingReceivableRecordedInvestmentNonaccrualStatus
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7 (d)

Financing Receivable, Recorded Investment, Past Due

Element Name: FinancingReceivableRecordedInvestmentPastDue
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Financing Receivable, Significant Purchases

Element Name: FinancingReceivableSignificantPurchases
This XBRL element references the following paragraph(s) in this Subtopic:
Financing Receivable, Significant Sales

**Element Name:** FinancingReceivableSignificantSales

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (e)

Financing Receivable, Troubled Debt Restructuring [Axis] (Revision Date: 2012-01-10)

**Element Name:** FinancingReceivableTroubledDebtRestructuringAxis

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (f)

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

Financing Receivable, Troubled Debt Restructuring [Domain] (Revision Date: 2012-01-10)

**Element Name:** FinancingReceivableTroubledDebtRestructuringDomain

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

Financing Receivable, Troubled Debt Restructurings [Axis] (Revision Date: 2011-07-28)

**Element Name:** FinancingReceivableTroubledDebtRestructuringsAxis1

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

Financing Receivable, Troubled Debt Restructurings [Domain] (Revision Date: 2011-07-28)

**Element Name:** FinancingReceivableTroubledDebtRestructuringsDomain1

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

Financing Receivables [Text Block] (Revision Date: 2013-11-22)

**Element Name:** FinancingReceivablesTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-1
- 310 Receivables > 10 Overall > 55 Implementation > General, 55-14

Guarantor Obligations, Related Party Disclosure

**Element Name:** GuaranteeObligationsRelatedPartyDisclosure

This XBRL element references the following paragraph(s) in other Subtopic(s):
This XBRL element references the following glossary term(s):

- Master Glossary > Related Parties

**Held-to-maturity Securities Pledged as Collateral**

**Element Name:** HeldToMaturitySecuritiesPledgedAsCollateral

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

**Held-to-maturity Securities [Table Text Block]**

**Element Name:** HeldToMaturitySecuritiesTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-5
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-6
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-7
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-10
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > Certain Contracts on Debt and Equity Securities, 50-9
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-3

**Held-to-maturity Securities, Restricted**

**Element Name:** HeldToMaturitySecuritiesRestricted

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > S99 SEC Materials > General, S99-1 (SX210.4-08 (b))
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.6)
- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03.1)

**Impaired Financing Receivable, Average Recorded Investment**
Element Name: ImpairedFinancingReceivableAverageRecordedInvestment
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (1)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-17

Impaired Financing Receivable, Interest Income, Accrual Method

Element Name: ImpairedFinancingReceivableInterestIncomeAccrualMethod
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (2)

Impaired Financing Receivable, Interest Income, Cash Basis Method

Element Name: ImpairedFinancingReceivableInterestIncomeCashBasisMethod
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (3)

Impaired Financing Receivable, Policy [Policy Text Block]

Element Name: ImpairedFinancingReceivablePolicyPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b, d, e)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-14A (a)

Impaired Financing Receivable, Recorded Investment

Element Name: ImpairedFinancingReceivableRecordedInvestment
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-14A (b)

Impaired Financing Receivable, Related Allowance

Element Name: ImpairedFinancingReceivableRelatedAllowance
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (a) (3)

Impaired Financing Receivable, Unpaid Principal Balance

Element Name: ImpairedFinancingReceivableUnpaidPrincipalBalance
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (a) (4)

Impaired Financing Receivable, with No Related Allowance, Average Recorded Investment (Revision Date: 2011-07-27)

Element Name: ImpairedFinancingReceivableWithNoRelatedAllowanceAverageRecordedInvestment
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (1)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-17

**Impaired Financing Receivable, with No Related Allowance, Interest Income, Accrual Method (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithNoRelatedAllowanceInterestIncomeAccrualMethod*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (2)

**Impaired Financing Receivable, with No Related Allowance, Interest Income, Cash Basis Method (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithNoRelatedAllowanceInterestIncomeCashBasisMethod*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (3)

**Impaired Financing Receivable, with No Related Allowance, Recorded Investment (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithNoRelatedAllowanceRecordedInvestment*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-14A (b)

**Impaired Financing Receivable, with No Related Allowance, Unpaid Principal Balance (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithNoRelatedAllowanceUnpaidPrincipalBalance*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (a) (4)

**Impaired Financing Receivable, with Related Allowance, Average Recorded Investment (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithRelatedAllowanceAverageRecordedInvestment*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (1)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-17

**Impaired Financing Receivable, with Related Allowance, Interest Income, Accrual (Revision Date: 2011-07-27)**

*Element Name: ImpairedFinancingReceivableWithRelatedAllowanceInterestIncomeAccrual*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (2)

**Impaired Financing Receivable, with Related Allowance, Interest Income, Accrual Method (Revision Date: 2011-08-15)**
Element Name: ImpairedFinancingReceivableWithRelatedAllowanceInterestIncomeAccrualMethod
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (2)

Impaired Financing Receivable, with Related Allowance, Interest Income, Cash Basis Method (Revision Date: 2011-07-27)

Element Name: ImpairedFinancingReceivableWithRelatedAllowanceInterestIncomeCashBasisMethod
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (c) (3)

Impaired Financing Receivable, with Related Allowance, Recorded Investment (Revision Date: 2011-07-27)

Element Name: ImpairedFinancingReceivableWithRelatedAllowanceRecordedInvestment
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-14A (b)

Impaired Financing Receivable, with Related Allowance, Unpaid Principal Balance (Revision Date: 2011-07-27)

Element Name: ImpairedFinancingReceivableWithRelatedAllowanceUnpaidPrincipalBalance
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (a) (4)

Impaired Financing Receivables [Table Text Block]

Element Name: ImpairedFinancingReceivablesTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

Internal Credit Assessment [Axis] (Revision Date: 2012-11-22)

Element Name: InternalCreditAssessmentAxis
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

This XBRL element references the following paragraph(s) in other Subtopic(s):
• 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a) (4)
• 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a) (4)
• 944 Financial Services—Insurance > 825 Financial Instruments > 50 Disclosure > Reinsurance Contracts, 50-1

Internal Credit Assessment [Domain] (Revision Date: 2012-11-27)

Element Name: InternalCreditAssessmentDomain
This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 50 Disclosure > General, 50-4 (a)
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > General, 50-4K (a)

Investments in Debt and Marketable Equity Securities (and Certain Trading Assets) Disclosure [Text Block]

Element Name: InvestmentsInDebtAnd MarketableEquitySecuritiesAndCertainTradingAssetsDisclosureTextBlock

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-2
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-5
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-6
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-9
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-10
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2

This XBRL element references the following glossary term(s):

- Master Glossary > Debt Security
- Master Glossary > Equity Security

Leases Receivable, Gross, Commercial, Lease Financing

Element Name: LeasesReceivableCommercialLeaseFinancing

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (5))

This XBRL element references the following glossary term(s):

- Master Glossary > Leveraged Lease

Loans Pledged as Collateral

Element Name: LoansPledgedAsCollateral

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 860 Transfers and Servicing > 30 Secured Borrowing and Collateral > 45 Other Presentation > General, 45-1

Loans Receivable Held-for-sale, Amount
Element Name: LoansReceivableHeldForSaleAmount
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable Held-for-sale, Reconciliation to Cash Flow, Additions to Held-for-sale

Element Name: LoansReceivableHeldForSaleReconciliationToCashFlowAdditionsToHeldForSale
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable Held-for-sale, Reconciliation to Cash Flow, Deductions from Held-for-sale

Element Name: LoansReceivableHeldForSaleReconciliationToCashFlowDeductionsFromHeldForSale
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable Held-for-sale, Reconciliation to Cash Flow, Period Increase (Decrease)

Element Name: LoansReceivableHeldForSaleReconciliationToCashFlowPeriodIncreaseDecrease
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable with Fixed Rates of Interest (Revision Date: 2012-10-15)

Element Name: LoansReceivableWithFixedRatesOfInterest1
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable with Variable Rates of Interest (Revision Date: 2012-10-15)

Element Name: LoansReceivableWithVariableRatesOfInterest1
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans Receivable, Fair Value Disclosure

Element Name: LoansReceivableFairValueDisclosure
This XBRL element references the following glossary term(s):

- Master Glossary > Loan

Loans Receivable, Gross, Commercial and Industrial

Element Name: LoansReceivableCommercialAndIndustrial
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1))

**Loans Receivable, Gross, Commercial, Acquisition**

**Element Name:** LoansReceivableCommercialAcquisition

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1), (b))

**Loans Receivable, Gross, Commercial, Agricultural**

**Element Name:** LoansReceivableCommercialAgricultural

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1))

**Loans Receivable, Gross, Commercial, Construction**

**Element Name:** LoansReceivableCommercialConstruction

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (2))

**Loans Receivable, Gross, Commercial, Development**

**Element Name:** LoansReceivableCommercialDevelopment

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (2))

**Loans Receivable, Gross, Commercial, Financial Institutions**
Element Name: LoansReceivableCommercialFinancialInstitutions
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1))

Loans Receivable, Gross, Commercial, Financial and Agricultural

Element Name: LoansReceivableCommercialFinancialAndAgricultural
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (1))

Loans Receivable, Gross, Commercial, Mortgage

Element Name: LoansReceivableCommercialMortgage
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (3))

Loans Receivable, Gross, Commercial, Real Estate

Element Name: LoansReceivableCommercialRealEstate
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a))
- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03.1 (c))

Loans Receivable, Gross, Commercial, Trade Financing

Element Name: LoansReceivableCommercialTradeFinancing
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (7))

**Loans [Member]**

**Element Name:** LoansMember

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Loans and Finance Receivables [Member] (Revision Date: 2012-09-26)**

**Element Name:** LoansAndFinanceReceivablesMember

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Loans and Leases Receivable, Allowance (Revision Date: 2013-11-25)**

**Element Name:** LoansAndLeasesReceivableAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (1)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (b) (1) (ii)
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

**Loans and Leases Receivable, Allowance for Loan Losses Policy [Policy Text Block]**

**Element Name:** LoansAndLeasesReceivableAllowanceForLoanLossesPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

**Loans and Leases Receivable, Collateral for Secured Borrowings**

**Element Name:** LoansAndLeasesReceivableCollateralForSecuredBorrowings

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):
Loans and Leases Receivable, Commercial, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableCommercialAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Loans and Leases Receivable, Commercial, Description

Element Name: LoansAndLeasesReceivableCommercialDescription

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a), (b))

Loans and Leases Receivable, Commercial, Net of Deferred Income

Element Name: LoansAndLeasesReceivableCommercialNetOfDeferredIncome

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Commitment Fee Policy

Element Name: LoansAndLeasesReceivableCommitmentFeePolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (d)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Loans and Leases Receivable, Consumer, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableConsumerAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Loans and Leases Receivable, Consumer, Description

Element Name: LoansAndLeasesReceivableConsumerDescription

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans and Leases Receivable, Consumer, Net of Deferred Income

Element Name: LoansAndLeasesReceivableConsumerNetOfDeferredIncome

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Deferred Income

Element Name: LoansAndLeasesReceivableDeferredIncome

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-3
- 840 Leases > 30 Capital Leases > 50 Disclosure > Lessor, 50-4 (a) (4)
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7)

Loans and Leases Receivable, Deferred Income, Commercial

Element Name: LoansAndLeasesReceivableDeferredIncomeCommercial

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 840 Leases > 30 Capital Leases > 50 Disclosure > Lessor, 50-4 (a) (4)

Loans and Leases Receivable, Deferred Income, Consumer

Element Name: LoansAndLeasesReceivableDeferredIncomeConsumer

This XBRL element references the following paragraph(s) in this Subtopic:
Loans and Leases Receivable, Deferred Income, Foreign

Element Name: LoansAndLeasesReceivableDeferredIncomeForeign

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 840 Leases > 30 Capital Leases > 50 Disclosure > Lessors, 50-4 (a) (4)

Loans and Leases Receivable, Deferred Income, Other

Element Name: LoansAndLeasesReceivableDeferredIncomeOther

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 840 Leases > 30 Capital Leases > 50 Disclosure > Lessors, 50-4 (a) (4)

Loans and Leases Receivable, Description

Element Name: LoansAndLeasesReceivableDescription

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a), (b))

Loans and Leases Receivable, Foreign, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableForeignAllowance

This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1
Loans and Leases Receivable, Foreign, Net of Deferred Income

Element Name: LoansAndLeasesReceivableForeignNetOfDeferredIncome
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Gross (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableGrossCarryingAmount
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Loans and Leases Receivable, Gross, Carrying Amount, Commercial

Element Name: LoansAndLeasesReceivableGrossCarryingAmountCommercial
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Gross, Carrying Amount, Consumer

Element Name: LoansAndLeasesReceivableGrossCarryingAmountConsumer
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Gross, Carrying Amount, Foreign

Element Name: LoansAndLeasesReceivableGrossCarryingAmountForeign
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Gross, Carrying Amount, Other

Element Name: LoansAndLeasesReceivableGrossCarryingAmountOther
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4
Loans and Leases Receivable, Gross, Commercial

Element Name: LoansAndLeasesReceivableCommercial

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a), (b))

Loans and Leases Receivable, Gross, Commercial, Governments

Element Name: LoansAndLeasesReceivableCommercialGovernments

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (7), (b))

Loans and Leases Receivable, Gross, Consumer

Element Name: LoansAndLeasesReceivableConsumer

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a), (b))

Loans and Leases Receivable, Gross, Consumer, Construction

Element Name: LoansAndLeasesReceivableConsumerConstruction

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (2), (b))

Loans and Leases Receivable, Gross, Consumer, Home Equity

Element Name: LoansAndLeasesReceivableConsumerHomeEquity

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (3), (b))

**Loans and Leases Receivable, Gross, Consumer, Installment and Revolving**

**Element Name**: LoansAndLeasesReceivableConsumerInstallmentAndRevolving

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4), (b))

**Loans and Leases Receivable, Gross, Consumer, Installment, Durable Goods**

**Element Name**: LoansAndLeasesReceivableConsumerInstallmentDurableGoods

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4), (b))

**Loans and Leases Receivable, Gross, Consumer, Installment, Other**

**Element Name**: LoansAndLeasesReceivableConsumerInstallmentOther

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4), (b))

**Loans and Leases Receivable, Gross, Consumer, Installment, Student**

**Element Name**: LoansAndLeasesReceivableConsumerInstallmentStudent

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4), (b))

**Loans and Leases Receivable, Gross, Consumer, Lease Financing**
Element Name: LoansAndLeasesReceivableConsumerLeaseFinancing
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (5), (b))

Loans and Leases Receivable, Gross, Consumer, Mortgage

Element Name: LoansAndLeasesReceivableConsumerMortgage
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (3), (b))

Loans and Leases Receivable, Gross, Consumer, Other

Element Name: LoansAndLeasesReceivableConsumerOther
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (7), (b))

Loans and Leases Receivable, Gross, Consumer, Real Estate

Element Name: LoansAndLeasesReceivableConsumerRealEstate
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (2), (3), (b))

Loans and Leases Receivable, Gross, Consumer, Revolving, Credit Card

Element Name: LoansAndLeasesReceivableConsumerRevolvingCreditCard
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
Loans and Leases Receivable, Gross, Consumer, Revolving, Other

Element Name: LoansAndLeasesReceivableConsumerRevolvingOther

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a) (4), (b))

Loans and Leases Receivable, Gross, Other

Element Name: LoansAndLeasesReceivableOther

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (a))

Loans and Leases Receivable, Impaired, Description

Element Name: LoansAndLeasesReceivableImpairedDescription

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 35 Subsequent Measurement > General, 35-22
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b)

Loans and Leases Receivable, Impaired, Interest Income Recognized, Change in Present Value Attributable to Passage of Time

Element Name: LoansAndLeasesReceivableImpairedInterestIncomeRecognizedChangeInPresentValueAttributableToPassageOfTime

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-19

Loans and Leases Receivable, Net Amount (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableNetReportedAmount

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1
Loans and Leases Receivable, Net Amount, Commercial (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableNetReportedAmountCommercial

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Net Amount, Consumer (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableNetReportedAmountConsumer

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Net Amount, Foreign (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableNetReportedAmountForeign

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Net Amount, Other (Revision Date: 2011-12-20)

Element Name: LoansAndLeasesReceivableNetReportedAmountOther

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Net of Deferred Income

Element Name: LoansAndLeasesReceivableNetOfDeferredIncome

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Nonaccrual Loan and Lease Status, Policy [Policy Text Block] (Revision Date: 2013-11-22)

Element Name: LoansAndLeasesReceivableNonaccrualLoanAndLeaseStatusPolicy

This XBRL element references the following paragraph(s) in this Subtopic:
• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b, d)

**This XBRL element references the following paragraph(s) in other Subtopic(s):**

• 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

**Loans and Leases Receivable, Nonmortgage Loan, Valuation, Policy [Policy Text Block] (Revision Date: 2013-11-22)**

**Element Name:** LoansAndLeasesReceivableNonmortgageLoanValuationPolicy

**This XBRL element references the following paragraph(s) in this Subtopic:**

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (b)

**This XBRL element references the following paragraph(s) in other Subtopic(s):**

**Loans and Leases Receivable, Nonperforming, Nonaccrual of Interest (Revision Date: 2011-08-19)**

**Element Name:** LoansAndLeasesReceivableImpairedNonperformingNonaccrualOfInterest

**This XBRL element references the following paragraph(s) in this Subtopic:**

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7 (a)

**Loans and Leases Receivable, Origination Fees, Discounts or Premiums, and Direct Costs to Acquire Loans Policy [Policy Text Block] (Revision Date: 2013-11-22)**

**Element Name:** LoansAndLeasesReceivableOriginationFeesDiscountsOrPremiumsAndDirectCostsToAcquireLoansPolicy

**This XBRL element references the following paragraph(s) in this Subtopic:**

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (d)

**This XBRL element references the following paragraph(s) in other Subtopic(s):**

• 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
• 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

**Loans and Leases Receivable, Other, Allowance (Revision Date: 2013-11-25)**

**Element Name:** LoansAndLeasesReceivableOtherAllowance

**This XBRL element references the following paragraph(s) in this Subtopic:**

• 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
• 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4

**This XBRL element references the following paragraph(s) in other Subtopic(s):**

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3
• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))
Loans and Leases Receivable, Other, Net of Deferred Income

Element Name: LoansAndLeasesReceivableOtherNetOfDeferredIncome
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

Loans and Leases Receivable, Past Due Status, Policy [Policy Text Block] (Revision Date: 2013-11-22)

Element Name: LoansAndLeasesReceivablePastDueStatusPolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Loans and Leases Receivable, Real Estate Acquired Through Foreclosure, Policy [Policy Text Block] (Revision Date: 2013-11-22)

Element Name: LoansAndLeasesReceivableRealEstateAcquiredThroughForeclosurePolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Loans and Leases Receivable, Valuation, Policy [Policy Text Block]

Element Name: LoansAndLeasesReceivableValuationPolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-2
- 948 Financial Services—Mortgage Banking > 310 Receivables > 50 Disclosure > General, 50-1

Loans, Notes, Trade and Other Receivables Disclosure [Text Block]

Element Name: LoansNotesTradeAndOtherReceivablesDisclosureTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11

This XBRL element references the following paragraph(s) in other Subtopic(s):
Major Types of Debt and Equity Securities [Domain] (Revision Date: 2012-11-26)

Element Name: MajorTypesOfDebtAndEquitySecuritiesDomain
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2

This XBRL element references the following glossary term(s):
- Master Glossary > Debt Security
- Master Glossary > Equity Security
- Master Glossary > Security

Nonperforming Financing Receivable [Member]

Element Name: NonperformingFinancingReceivableMember
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Notes Receivable, Related Parties

Element Name: NotesReceivableRelatedParties
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.4-08. (k) (1))
- 850 Related Party Disclosures > 10 Overall > 50 Disclosure > General, 50-1 (d)
- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03.3)

This XBRL element references the following glossary term(s):
- Master Glossary > Related Parties

Notes Receivable, Related Parties, Current

Element Name: NotesReceivableRelatedPartiesCurrent
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.3 (a) (2))
- 235 Notes to Financial Statements > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.4-08. (k) (1))
- 850 Related Party Disclosures > 10 Overall > 50 Disclosure > General, 50-1 (d)

This XBRL element references the following glossary term(s):
- Master Glossary > Related Parties

Notes Receivable, Related Parties, Noncurrent
Element Name: NotesReceivableRelatedPartiesNoncurrent
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.11)
- 235 Notes to Financial Statements > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.4-08. (k) (1))
- 850 Related Party Disclosures > 10 Overall > 50 Disclosure > General, 50-1 (d)

This XBRL element references the following glossary term(s):

- Master Glossary > Related Parties

Notes, Loans and Financing Receivable, Gross, Current

Element Name: NotesAndLoansReceivableGrossCurrent
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (c), (e)
- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.3 (a), (b))

Notes, Loans and Financing Receivable, Net, Current

Element Name: NotesAndLoansReceivableNetCurrent
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (c)
- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.3)

Off-Balance-Sheet Credit Exposure, Policy [Policy Text Block]

Element Name: OffBalanceSheetCreditExposurePolicyPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Other Repossessed Assets

Element Name: OtherForeclosedAssets
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3
Element Name: PassMember
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Past Due Financing Receivables [Table Text Block]
Element Name: PastDueFinancingReceivablesTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Payables to Customers (Revision Date: 2013-11-22)
Element Name: PayablesToCustomers
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Performing Financing Receivable [Member]
Element Name: PerformingFinancingReceivableMember
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Premiums Receivable Note [Text Block]
Element Name: PremiumsReceivableNote
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 860 Transfers and Servicing > 20 Sales of Financial Assets > 50 Disclosure > General, 50-5
- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03.5)

Premiums Receivable, Allowance for Doubtful Accounts
Element Name: PremiumsReceivableAllowanceForDoubtfulAccounts
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 944 Financial Services—Insurance > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.7-03.5)
**Premiums Receivable, Allowance for Doubtful Accounts, Estimation Methodology, Policy [Policy Text Block]**  
(Revision Date: 2013-11-22)

**Element Name: PremiumsReceivableAllowanceForDoubtfulAccountsEstimationMethodologyPolicy**

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 944 Financial Services—Insurance > 310 Receivables > 50 Disclosure > Financial Guarantee Insurance Contracts, 50-3

**Premiums Receivable, Basis of Accounting, Policy [Policy Text Block] (Revision Date: 2013-11-24)**

**Element Name: PremiumsReceivableBasisOfAccountingPolicy**

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (a)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

**Prepaid Advertising**

**Element Name: PrepaidAdvertising**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (6)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-4
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5
- 340 Other Assets and Deferred Costs > 20 Capitalized Advertising Costs > 50 Disclosure > General, 50-1
- 720 Other Expenses > 35 Advertising Costs > 50 Disclosure > General, 50-1

This XBRL element references the following glossary term(s):

- Master Glossary > Current Assets

**Prepaid Expense, Current**

**Element Name: PrepaidExpenseCurrent**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5
This XBRL element references the following glossary term(s):

- Master Glossary > Current Assets

**Prepaid Insurance**

Element Name: **PrepaidInsurance**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (1)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-4
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5

**Prepaid Interest**

Element Name: **PrepaidInterest**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (2)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-4
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5

**Prepaid Rent**

Element Name: **PrepaidRent**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (3)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-4
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5

**Prepaid Royalties**

Element Name: **PrepaidRoyalties**

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (5)
Prepaid Taxes

**Element Name:** PrepaidTaxes

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-1 (g) (4)
- 210 Balance Sheet > 10 Overall > 45 Other Presentation > General, 45-2
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-4
- 340 Other Assets and Deferred Costs > 10 Overall > 05 Background > General, 05-5

This XBRL element references the following glossary term(s):

- Master Glossary > Current Assets

Proceeds from Sale and Collection of Loans Held-for-sale

**Element Name:** ProceedsFromSaleAndCollectionOfLoansHeldforsale

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-11

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 230 Statement of Cash Flows > 10 Overall > 45 Other Presentation > General, 45-12
- 230 Statement of Cash Flows > 10 Overall > 45 Other Presentation > General, 45-21

This XBRL element references the following glossary term(s):

- Master Glossary > Investing Activities

Provision for Loan and Lease Losses (Revision Date: 2013-11-25)

**Element Name:** ProvisionForLoanAndLeaseLosses

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (2)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 230 Statement of Cash Flows > 10 Overall > 45 Other Presentation > General, 45-28 (a)

Provision for Loan, Lease, and Other Losses (Revision Date: 2011-08-03)
Element Name: ProvisionForLoanLeaseAndOtherLosses
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (2)

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 230 Statement of Cash Flows > 10 Overall > 45 Other Presentation > General, 45-28 (a)

Real Estate Acquired Through Foreclosure

Element Name: RealEstateAcquiredThroughForeclosure
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3

Real Estate Owned [Text Block]

Element Name: RealEstateOwnedTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-3
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-4
- 360 Property, Plant, and Equipment > 10 Overall > 35 Subsequent Measurement > Impairment or Disposal of Long-Lived Assets, 35-17
- 360 Property, Plant, and Equipment > 10 Overall > 35 Subsequent Measurement > Impairment or Disposal of Long-Lived Assets, 35-43
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.10 (4))

Receivables Held-for-sale, Amount

Element Name: ReceivablesHeldForSaleAmount
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Receivables Held-for-sale, Determination, Policy [Policy Text Block] (Revision Date: 2013-11-24)

Element Name: ReceivablesHeldForSaleDeterminationPolicy
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
Receivables Held-for-sale, Lower of Cost or Fair Value, Policy [Policy Text Block] (Revision Date: 2013-11-24)

Element Name: ReceivablesHeldForSaleLowerOfCostOrFairValuePolicy
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (b)

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Receivables and Portions of Securitizations that can be Prepaid at Potential Loss, Policy [Policy Text Block]

Element Name: ReceivablesAndPortionsOfSecuritizationsThatCanBePrepaidAtPotentialLossPolicyPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (c)

Receivables from Brokers-Dealers and Clearing Organizations (Revision Date: 2012-11-05)

Element Name: ReceivablesFromBrokersDealersAndClearingOrganizations
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 940 Financial Services—Brokers and Dealers > 20 Broker-Dealer Activities > 45 Other Presentation > General, 45-3

Receivables from Clearing Organizations (Revision Date: 2013-11-24)

Element Name: ReceivablesFromClearingOrganizations
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 940 Financial Services—Brokers and Dealers > 20 Broker-Dealer Activities > 25 Recognition > Clearing, 25-4

Receivables from Customers (Revision Date: 2012-11-05)

Element Name: ReceivablesFromCustomers
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Receivables, Policy [Policy Text Block] (Revision Date: 2013-11-24)

Element Name: ReceivablesPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-1 (a)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

**Receivables, Trade and Other Accounts Receivable, Allowance for Doubtful Accounts, Policy [Policy Text Block]**
*(Revision Date: 2012-11-20)*

**Element Name:** ReceivablesTradeAndOtherAccountsReceivableAllowanceForDoubtfulAccountsPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

**Related Party [Domain]**

**Element Name:** RelatedPartyDomain

This XBRL element references the following glossary term(s):

- Master Glossary > Affiliate
- Master Glossary > Control
- Master Glossary > Immediate Family
- Master Glossary > Management
- Master Glossary > Principal Owners
- Master Glossary > Related Parties

**Repossessed Assets**

**Element Name:** ForeclosedAssets

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3

**Residential, Prime, Financing Receivable [Member]**

**Element Name:** ResidentialPrimeFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Residential, Subprime, Financing Receivable [Member]**

**Element Name:** ResidentialSubprimeFinancingReceivableMember

This XBRL element references the following glossary term(s):

- Master Glossary > Class of Financing Receivable

**Revenue from Related Parties**
Element Name: RevenueFromRelatedParties
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 225 Income Statement > 10 Overall > S99 SEC Materials > General, S99-2 (SX 210.5-03.1 (e))
- 946 Financial Services—Investment Companies > 225 Income Statement > S99 SEC Materials > General, S99-1 (SX 210.6-07.1 (c))

This XBRL element references the following glossary term(s):

- Master Glossary > Related Parties

Schedule of Credit Losses Related to Financing Receivables, Current and Noncurrent [Table Text Block]

Element Name: ScheduleOfCreditLossesRelatedToFinancingReceivablesCurrentAndNoncurrentTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c)

Schedule of Credit Losses Related to Financing Receivables, Noncurrent [Table Text Block]

Element Name: ScheduleOfCreditLossesRelatedToFinancingReceivablesNoncurrentTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c)

Schedule of Credit Losses for Financing Receivables, Current [Table Text Block]

Element Name: ScheduleOfCreditLossesForFinancingReceivablesCurrentTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c)

Schedule of Financing Receivable, Allowance for Credit Losses [Table]

Element Name: ScheduleOfFinancingReceivableAllowanceForCreditLossesTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B

Schedule of Financing Receivable, Recorded Investment, Credit Quality Indicator [Table]

Element Name: ScheduleOfFinancingReceivableRecordedInvestmentCreditQualityIndicatorTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Schedule of Financing Receivable, Troubled Debt Restructurings [Table] (Revision Date: 2011-07-28)

Element Name: ScheduleOfFinancingReceivableTroubledDebtRestructuringsTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34
Schedule of Financing Receivables Past Due [Table]

Element Name: ScheduleOfFinancingReceivablesPastDueTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7A

Schedule of Financing Receivables, Non Accrual Status [Table Text Block]

Element Name: ScheduleOfFinancingReceivablesNonAccrualStatusTableTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-7

Schedule of Held-to-maturity Securities [Table]

Element Name: ScheduleOfHeldToMaturitySecuritiesTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-5
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-6
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-7
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-10
- 815 Derivatives and Hedging > 10 Overall > 50 Disclosure > Certain Contracts on Debt and Equity Securities, 50-9
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-3

Schedule of Impaired Financing Receivable [Table]

Element Name: ScheduleOfImpairedFinancingReceivableTable
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

Securities Held as Collateral, at Fair Value

Element Name: SecuritiesHeldAsCollateralAtFairValue
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-5

Securities Received as Collateral, Amount Foreclosed
Element Name: SecuritiesReceivedAsCollateralAmountForeclosed
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3

Special Mention [Member]

Element Name: SpecialMentionMember
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Standby Letters of Credit [Member]

Element Name: StandbyLettersOfCreditMember
This XBRL element references the following paragraph(s) in other Subtopic(s):

- 460 Guarantees > 10 Overall > 15 Scope > General, 15-4 (a)
- 460 Guarantees > 10 Overall > 55 Implementation > General, 55-2 (a)

This XBRL element references the following glossary term(s):

- Master Glossary > Standby Letter of Credit

Substandard [Member]

Element Name: SubstandardMember
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Trade Receivables Held-for-sale, Amount

Element Name: TradeReceivablesHeldForSaleAmount
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Trade Receivables Held-for-sale, Reconciliation to Cash Flow, Additions to Held-for-sale

Element Name: TradeReceivablesHeldForSaleReconciliationToCashFlowAdditionsToHeldForSale
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Trade Receivables Held-for-sale, Reconciliation to Cash Flow, Deductions from Held-for-sale

Element Name: TradeReceivablesHeldForSaleReconciliationToCashFlowDeductionsFromHeldForSale
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Trade Receivables Held-for-sale, Reconciliation to Cash Flow, Period Increase (Decrease)
Element Name: TradeReceivablesHeldForSaleReconciliationToCashFlowPeriodIncreaseDecrease
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-2

Trade and Loan Receivables, Method of Accounting for Receivables that Can be Contractually Prepaid, Policy
[Policy Text Block]

Element Name:
TradeAndLoanReceivablesMethodOfAccountingForReceivablesThatCanBeContractuallyPrepaidPolicyPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (c)

Trade and Loan Receivables, Nonmortgage Loans Held-for-sale, Policy [Policy Text Block]

Element Name: TradeAndLoanReceivablesNonmortgageLoansHeldForSalePolicyPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (b)

Trade and Other Accounts Receivable, Policy [Policy Text Block]

Element Name: TradeAndOtherAccountsReceivablePolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (d)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

Trade and Other Accounts Receivable, Unbilled Receivables, Policy [Policy Text Block]

Element Name: TradeAndOtherAccountsReceivableUnbilledReceivablesPolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

Trading Securities Pledged as Collateral

Element Name: TradingSecuritiesPledgedAsCollateral
This XBRL element references the following paragraph(s) in this Subtopic:
Troubled Debt Restructurings on Financing Receivables [Table Text Block] (Revision Date: 2011-07-28)

Element Name: TroubledDebtRestructuringsOnFinancingReceivablesTableTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-33
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-34

Unlikely to be Collected Financing Receivable [Member]

Element Name: UnlikelyToBeCollectedFinancingReceivableMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-29

Unusual or Infrequent Item, Description of Contingencies

Element Name: UnusualOrInfrequentItemDescriptionOfContingencies

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-21

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 225 Income Statement > 20 Extraordinary and Unusual Items > 45 Other Presentation > General, 45-16
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-3
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-4
- 450 Contingencies > 20 Loss Contingencies > 50 Disclosure > General, 50-5
310-10-S00 Status

Click here to link to 310-10-00.

General Note: The Status Section identifies changes to this Subtopic resulting from Accounting Standards Updates. The Section provides references to the affected Codification content and links to the related Accounting Standards Updates. Nonsubstantive changes for items such as editorial, link and similar corrections are included separately in Maintenance Updates.

General

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310-20-00 Status

**General Note:** The Status Section identifies changes to this Subtopic resulting from Accounting Standards Updates. The Section provides references to the affected Codification content and links to the related Accounting Standards Updates. Nonsubstantive changes for items such as editorial, link and similar corrections are included separately in Maintenance Updates.

### General

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310-20-05 Overview and Background

**General Note:** The Overview and Background Section provides overview and background material for the guidance contained in the Subtopic. It does not provide the historical background or due process. It may contain certain material that users generally consider useful to understand the typical situations addressed by the standards. The Section does not summarize the accounting and reporting requirements.

**General**

05-1 This Subtopic provides guidance on the recognition, measurement, derecognition, and disclosure of nonrefundable fees, origination costs, and acquisition costs associated with lending activities and loan purchases.

> **Nonrefundable Fees and Costs**

05-2 An entity may acquire a loan by lending (originating the loan) or by purchasing (acquiring a loan from a party other than the borrower). This Subtopic establishes standards of financial accounting and reporting for nonrefundable fees and costs associated with lending activities and loan purchases. The lender’s activities that precede the disbursement of funds can generally be distinguished between the following:

a. Efforts to identify and attract potential borrowers

b. Efforts necessary to originate a loan or loan commitment after a potential borrower requests a loan or loan commitment.

Nonrefundable fees have many different names in practice, such as origination fees, points, placement fees, commitment fees, application fees, management fees, restructuring fees, and syndication fees, but, for purposes of this Subtopic, they are referred to as loan origination fees, commitment fees, or syndication fees.
> Credit Card Arrangements

05-3 Available lines of credit under credit card and similar charge card arrangements are loan commitments, and fees collected in connection with such cards (credit card fees) are viewed in part as being loan commitment fees. Entities issue credit cards, debit cards, bank charge cards, and other similar cards (collectively, credit cards) with a variety of terms. An issuer may charge an origination fee in connection with the issuance of a credit card and periodic renewal fees for the continued extension of credit card privileges. As part of a promotion to attract new cardholders or retain existing cardholders, some of those issuers may waive the payment of credit card fees for the initial use period or in some cases for a longer period. Other entities issue credit cards that do not require the payment of any fees for the use of the credit card.

05-4 An entity (credit card issuer) may acquire credit card accounts by paying an amount to a third party. The credit card accounts typically have no outstanding receivable balances at the time acquired. The credit card accounts are acquired individually (one at a time) by paying an amount for each approved credit card agreement. The third party may be any of the following:

a. A direct marketing specialist

b. An affinity group (a professional, cultural, or other organization)

c. A cobrander (an airline entity, automobile manufacturing entity, hotel entity, or other commercial or retailing entity). Under a cobranding arrangement, the third party's name is included on the credit card, and the third party has a continuing obligation to provide goods or services, such as product discounts, to cardholders for an extended period that directly or indirectly benefits the credit card issuer.

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310-20-15 Scope and Scope Exceptions

General Note: The Scope and Scope Exceptions Section outlines the items (for example, the entities, transactions, instruments, or events) to which the guidance in the Subtopic does or does not apply. In some cases, the Section may contain definitional or other text to frame the scope.

General Note for Financial Instruments: Some of the items subject to the guidance in this Subtopic are financial instruments. For guidance on matters related broadly to all financial instruments, (including the fair value option, accounting for registration payment arrangements, and broad financial instrument disclosure requirements), see Topic 825. See Section 825-10-15 for guidance on the scope of the Financial Instruments Topic.

General

> Entities

15-1 The guidance in this Subtopic applies to entities as follows:

a. All paragraphs apply to both lenders and purchasers.

b. Paragraphs 310-20-25-2 through 25-3 and 310-20-35-2 through 35-3 and the definition of direct loan origination costs apply to lessors in determining the net amount of initial direct costs as that term is used in Topic 840.

> Transactions

15-2 The guidance in this Subtopic explicitly includes the following transactions:

a. The recognition and the balance sheet classification of nonrefundable fees and costs associated with lending activities

b. The accounting for discounts, premiums, and commitment fees associated with the purchase of loans and other debt securities such as corporate bonds, Treasury notes and bonds, groups of loans, and loan-backed securities (such as pass-through certificates, collateralized mortgage obligations, and other so-called securitized loans).
c. Loans designated as a hedged item in a **fair value** hedge under Topic 815 (see paragraphs 815-25-35-10 through 35-11).

15-3 The guidance in this Subtopic does not apply to the following transactions:

a. Loan origination or commitment fees that are refundable; however, the guidance in this Subtopic does apply when such fees subsequently become nonrefundable.

b. Costs that are incurred by the lender in transactions with independent third parties if the lender bills those costs directly to the borrower.

c. Nonrefundable fees and costs associated with originating or acquiring loans that are carried at fair value if the changes in fair value are included in earnings of a business entity or change in net assets of a not-for-profit entity (NFP). The exclusion provided in this paragraph and the preceding paragraph applies to nonrefundable fees and costs associated with originating loans that are reported at fair value and premiums or discounts associated with acquiring loans that are reported at fair value. Loans that are reported at cost or the lower of cost or fair value, loans or debt securities reported at fair value with changes in fair value reported in other comprehensive income (includes financial assets subject to prepayment as defined in paragraph 860-20-35-2, and debt securities classified as available-for-sale under Topic 320), and loans that have a market interest rate, or adjust to a market interest rate, are not considered to be loans carried at fair value.

d. Fees and costs related to a commitment to originate, sell, or purchase loans that is accounted for as a derivative instrument under Subtopic 815-10.

e. Fees and costs related to a standby commitment to purchase loans if the settlement date of that commitment is not within a reasonable period or the entity does not have the intent and ability to accept delivery without selling assets. For guidance on fees and costs related to such a commitment, see paragraph 310-10-30-7.

> **Instruments**

15-4 The following table outlines the applicability of this Subtopic to various types of assets.

> **Other Considerations**

15-5 This guidance in this Subtopic shall be applied to individual loan contracts. Aggregation of similar loans for purposes of recognizing net fees or costs and purchase premiums or discounts is permitted if the provisions of paragraph 310-20-35-26 are met or if the resulting recognition does not differ materially from the amount that would have been recognized on an individual loan-by-loan basis.
310-20-20 Glossary

**General Note:** The Master Glossary contains all terms identified as glossary terms throughout the Codification. Clicking on any term in the Master Glossary will display where the term is used. The Master Glossary may contain identical terms with different definitions, some of which may not be appropriate for a particular Subtopic. For any particular Subtopic, users should only use the glossary terms included in the particular Subtopic Glossary Section (Section 20).

**Blended-Rate Loans**

Blended-rate loans involve lending new funds at market interest rates combined with existing loans at rates currently lower than market rates. (Those funds are not advanced under a line of credit.)

**Commitment Fees**

Fees charged for entering into an agreement that obligates the entity to make or acquire a loan or to satisfy an obligation of the other party under a specified condition. Commitment fees include fees for letters of credit and obligations to purchase a loan or group of loans and pass-through certificates.

**Control**

The possession, direct or indirect, of the power to direct or cause the direction of the management and policies
of an entity through ownership, by contract, or otherwise.

**Credit Card Fees**

The periodic uniform fees that entitle cardholders to use credit cards. The amount of such fees generally is not dependent upon the level of credit available or frequency of usage. Typically the use of credit cards facilitates the cardholder's payment for the purchase of goods and services on a periodic, as-billed basis (usually monthly), involves the extension of credit, and, if payment is not made when billed, involves imposition of interest or finance charges. Credit card fees include fees received in similar arrangements, such as charge card and cash card fees.

**Debt Security**

Any security representing a creditor relationship with an entity. The term debt security also includes all of the following:

a. Preferred stock that by its terms either must be redeemed by the issuing entity or is redeemable at the option of the investor

b. A collateralized mortgage obligation (or other instrument) that is issued in equity form but is required to be accounted for as a nonequity instrument regardless of how that instrument is classified (that is, whether equity or debt) in the issuer's statement of financial position

c. U.S. Treasury securities
d. U.S. government agency securities
e. Municipal securities
f. Corporate bonds
g. Convertible debt
h. Commercial paper
i. All securitized debt instruments, such as collateralized mortgage obligations and real estate mortgage investment conduits
j. Interest-only and principal-only strips.

The term debt security excludes all of the following:

a. Option contracts
b. Financial futures contracts
c. Forward contracts
d. Lease contracts
e. Receivables that do not meet the definition of security and, so, are not debt securities (unless they have been securitized, in which case they would meet the definition of a security), for example:

1. Trade accounts receivable arising from sales on credit by industrial or commercial entities
2. Loans receivable arising from consumer, commercial, and real estate lending activities of financial institutions.

**Direct Loan Origination Costs**

Direct loan origination costs represent costs associated with originating a loan. Direct loan origination costs of a completed loan shall include only the following:

- a. Incremental direct costs of loan origination incurred in transactions with independent third parties for that loan
- b. Certain costs directly related to specified activities performed by the lender for that loan. Those activities include all of the following:
  1. Evaluating the prospective borrower's financial condition
  2. Evaluating and recording guarantees, collateral, and other security arrangements
  3. Negotiating loan terms
  4. Preparing and processing loan documents
  5. Closing the transaction.

The costs directly related to those activities shall include only that portion of the employees' total compensation and payroll-related fringe benefits directly related to time spent performing those activities for that loan and other costs related to those activities that would not have been incurred but for that loan. See Section 310-20-55 for examples of items.

**Effective Interest Rate**

The rate of return implicit in the loan, that is, the contractual interest rate adjusted for any net deferred loan fees or costs, premium, or discount existing at the origination or acquisition of the loan.

**Fair Value**

The price that would be received to sell an asset or paid to transfer a liability in an *orderly transaction* between *market participants* at the measurement date.

**Idle Time**

Idle time represents the time that a lender's employees are not actively involved in performing origination activities for specific loans. Idle time can be caused by many factors, including lack of work, delays in work flow, and equipment failure. Idle time can be measured through the establishment of standard costs, time studies,
ratios of productive and nonproductive time, and other methods.

**Incremental Direct Costs**

Costs to originate a loan that have both of the following characteristics:

a. Result directly from and are essential to the lending transaction

b. Would not have been incurred by the lender had that lending transaction not occurred.

**Lending Activities**

Lending, committing to lend, refinancing or restructuring loans, arranging standby letters of credit, syndicating loans, and leasing activities are lending activities.

**Loan**

A contractual right to receive money on demand or on fixed or determinable dates that is recognized as an asset in the creditor's statement of financial position. Examples include but are not limited to accounts receivable (with terms exceeding one year) and notes receivable. This definition encompasses loans accounted for as debt securities.

**Loan Origination Fees**

Origination fees consist of all of the following:

a. Fees that are being charged to the borrower as prepaid interest or to reduce the loan's nominal interest rate, such as interest buy-downs (explicit yield adjustments)

b. Fees to reimburse the lender for origination activities

c. Other fees charged to the borrower that relate directly to making the loan (for example, fees that are paid to the lender as compensation for granting a complex loan or agreeing to lend quickly)

d. Fees that are not conditional on a loan being granted by the lender that receives the fee but are, in substance, implicit yield adjustments because a loan is granted at rates or terms that would not have otherwise been considered absent the fee (for example, certain syndication fees addressed in paragraph 310-20-25-19)

e. Fees charged to the borrower in connection with the process of originating, refinancing, or restructuring a loan. This term includes, but is not limited to, points, management, arrangement, placement, application, underwriting, and other fees pursuant to a lending or leasing transaction and also includes syndication and participation fees to the extent they are associated with the portion of the loan retained by the lender.

**Loan Participation**

A transaction in which a single lender makes a large loan to a borrower and subsequently transfers undivided interests in the loan to groups of banks or other entities.
Loan Syndication

A transaction in which several lenders share in lending to a single borrower. Each lender loans a specific amount to the borrower and has the right to repayment from the borrower. It is common for groups of lenders to jointly fund those loans when the amount borrowed is greater than any one lender is willing to lend.

Net Investment in an Original Loan

The net investment in an original loan includes the unpaid loan principal, any remaining unamortized net fees or costs, any remaining unamortized purchase premium or discount, and any accrued interest receivable.

Probable

The future event or events are likely to occur.

Recorded Investment

The amount of the investment in a loan, which is not net of a valuation allowance, but which does reflect any direct write-down of the investment.

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310-20-25 Recognition
General Note: The Recognition Section provides guidance on the required criteria, timing, and location (within the financial statements) for recording a particular item in the financial statements. Disclosure is not recognition.

General Note for Fair Value Option: Some of the items subject to the guidance in this Subtopic may qualify for application of the Fair Value Option Subsections of Subtopic 825-10. Those Subsections (see paragraph 825-10-05-5) address circumstances in which entities may choose, at specified election dates, to measure eligible items at fair value (the fair value option). See Section 825-10-15 for guidance on the scope of the Fair Value Option Subsections of the Financial Instruments Topic.

General

25-1 This Section addresses the recognition of certain lending fees and costs, specifically:

a. **Loan origination fees** and **direct loan origination costs**

b. Other lending-related costs

c. Cost determination

d. **Commitment fees**

e. **Credit card fees** and costs

f. **Loan syndication** fees

g. Purchase of a **loan** or group of loans

h. Independent third parties.

> Loan Origination Fees and Direct Loan Origination Costs

25-2 Loan origination fees shall be deferred. Likewise, direct loan origination costs shall be deferred.

> Other Lending-Related Costs

25-3 All other lending-related costs, including costs related to activities performed by the lender for advertising, soliciting potential borrowers, servicing existing loans, and other ancillary activities related to establishing and monitoring credit policies, supervision, and administration, shall be charged to expense as incurred. Employees’ compensation and fringe benefits related to those activities, unsuccessful loan origination efforts, and **idle time**...
shall be charged to expense as incurred. Administrative costs, rent, depreciation, and all other occupancy and equipment costs are considered indirect costs and shall be charged to expense as incurred.

25-4 Costs for software dedicated to loan processing and origination are not eligible for deferral as direct loan origination costs under the definition of that term. Such costs are not other costs related to those activities that would not have been incurred but for that loan as contemplated in the definition of the term.

25-5 Fees paid to a service bureau for loan processing are not eligible for deferral as direct loan origination costs under the definition of that term because the services were performed after the loan has already been made; the costs are not origination costs.

25-6 Bonuses based on successful production of loans that are paid to employees involved in loan origination activities are partially deferrable as direct loan origination costs under the definition of that term. Bonuses are part of an employee’s total compensation. The portion of the employee’s total compensation that may be deferred as direct loan origination costs is the portion that is directly related to time spent on the activities contemplated in the definition of that term and results in the origination of a loan.

25-7 If compensation for an employee traditionally paid by salary or hourly wage is switched wholly or partially to commissions on successful loan production, such costs would be partially deferrable as direct loan origination costs under the definition of that term. As specified in the preceding paragraph, only the portion of the employee’s total compensation directly related to time spent on activities contemplated in the definition of that term for completed loans would be deferred. Commission-based compensation arrangements between a lender and its employees may be similar to arrangements a lender may have with independent third parties such as loan brokers. However, when origination activities are performed by the lender’s employees, the lender must allocate compensation costs applicable to the activities contemplated in the definition of direct loan acquisition costs based on the portion of time spent by employees. An allocation of the employees’ total compensation between origination and other activities is made so that only those costs associated with those lending activities contemplated in the definition of that term are deferred for completed loans, even if commissions are 100 percent of such compensation and are based solely on completed loan transactions.

> Cost Determination

25-8 This Subtopic does not specify how costs are to be determined but rather what costs must be deferred. In many instances, standard costing may be used to estimate the costs to be deferred in accordance with the provisions of this Subtopic. For certain loans, the cost of origination may be similar and standard costing may be appropriate for those loans, while other loans may be of such a nature that costs must be identified separately. Lenders may use any one or a combination of methods that will provide adequate information to report financial results in accordance with this Subtopic. Development of a standard costing system will require periodic analysis of variances and, if necessary, adjustment of standard costing estimates. Possible standard cost methods that may be used to measure costs applicable to transactions that have occurred include standard costs, actual costs, job process (for example, homogeneous loans), or job order (for example, specific loans).

25-9 The successful-efforts accounting notion utilized at an entity-wide level may result in a standard cost system that does not accurately reflect the amount of costs that may be deferred and amortized under the
provisions of this Subtopic. Successful loan efforts can be determined as a percentage of each function (for example, application, verification, underwriting, appraisal, closing) and may be based on the percentage, adjusted for idle time and time spent on activities for which the related costs cannot be deferred, of successful and unsuccessful efforts determined for each function.

25-10 In accounting for costs associated with loan originations on loans that have not yet been closed, judgment is required to estimate the number of loans in process that will result in a successful loan origination. Origination costs on a loan in process may be deferred until the loan is either closed or considered an unsuccessful effort. If a loan in process is determined to be unsuccessful after the balance sheet date but before the financial statements are issued or are available to be issued (as discussed in Section 855-10-25), costs that have been deferred through the balance sheet date shall be charged to expense in the period ending with the balance sheet date.

> Commitment Fees

25-11 Except as set forth in paragraph 310-20-35-3, fees received for a commitment to originate or purchase a loan or group of loans shall be deferred.

25-12 Direct loan origination costs incurred to make a commitment to originate a loan shall be offset against any related commitment fee and the net amount recognized as set forth in paragraph 310-20-35-3.

25-13 If qualifying costs associated with commitments exceed commitment fees received (or if no fee is charged), whether or not the resulting net cost may be deferred depends on the likelihood of the commitment being exercised. This Subtopic applies to both nonrefundable fees and costs, and paragraphs 310-20-35-3 and 310-20-25-1 may require that the net of such items be deferred. However, if the likelihood that the commitment will be exercised is remote, any net costs shall be charged to expense immediately rather than deferred and amortized on a straight-line basis over the commitment period.

25-14 Fees received for providing commercial letters of credit are covered by this Subtopic. Such fees are considered commitment fees, and the accounting is specified in paragraph 310-20-35-3.

> Credit Card Fees and Costs

25-15 Credit card fees generally cover many services to cardholders. Accordingly, fees that are periodically charged to cardholders shall be deferred. This accounting shall also apply to other similar card arrangements that involve an extension of credit by the card issuer.

25-16 Only the costs of origination that qualify as direct loan origination costs under the definition of that term are eligible for deferral. All other costs shall be charged to expense as incurred. Therefore, costs eligible for deferral would likely exceed fees only when a credit card is first issued.

25-17 Credit card origination costs shall be netted against the related credit card fee, if any. In situations where a significant fee is charged, the privilege period is the period that the fee entitles the cardholder to use the
credit card. If there is no significant fee, the privilege period shall be one year. Significance for this purpose shall be evaluated based on the amount of the fee relative to the related costs.

25-18 Credit card accounts acquired individually shall be accounted for as originations under this Subtopic. Amounts paid to a third party to acquire individual credit card accounts shall be deferred and netted against the related credit card fee, if any.

> Loan Syndication Fees

25-19 The entity managing a loan syndication (the syndicator) shall recognize loan syndication fees when the syndication is complete unless a portion of the syndication loan is retained. If the yield on the portion of the loan retained by the syndicator is less than the average yield to the other syndication participants after considering the fees passed through by the syndicator, the syndicator shall defer a portion of the syndication fee to produce a yield on the portion of the loan retained that is not less than the average yield on the loans held by the other syndication participants.

25-20 All transactions that are structured legally as loan syndications shall be accounted for as loan syndications in accordance with the provisions of this Subtopic.

25-21 [Paragraph Not Used]

> Purchase of a Loan or Group of Loans

25-22 Paragraph 310-20-30-5 explains that the initial investment in a purchased loan or group of loans shall include the amount paid to the seller plus any fees paid or less any fees received. The initial investment frequently differs from the related loan's principal amount at the date of purchase. All other costs incurred in connection with acquiring purchased loans or committing to purchase loans shall be charged to expense as incurred.

25-23 Designation of a fee or cost as an origination fee or cost for a loan that is purchased is inappropriate because a purchased loan has already been originated by another party. Costs incurred in connection with acquiring loans or committing to purchase loans, including a participation, shall be charged to expense in accordance with paragraph 310-20-35-15.

25-24 For the originating lender, net fees and costs associated with a loan participation would become a component of the net loan investment balance to be used in calculating the gain or loss on a subsequent sale as described in paragraph 310-20-35-16.

> Independent Third Parties

25-25 If an entity utilizes a third party for loan originations and the third party is not considered an independent
third party for several reasons but also is not an employee of the entity, the entity shall defer those costs directly related to specified activities that can be determined to meet the criteria for direct loan origination costs under the definition of that term as long as those costs would not have been incurred but for that loan.

25-26 Fees paid to independent third parties for advisory services regarding loan origination activities, even if those same activities are performed internally, are not considered to be incurred for the specified activities set forth in the definition of the direct loan origination costs term and shall be charged to expense as incurred whether paid to independent third parties or performed internally.

25-27 Fees paid to an independent third party, or incurred internally, for portfolio management or investment consultation are considered other costs incurred in connection with acquiring purchased loans or committing to purchase loans because they constitute investment advisory costs, not loan origination costs. Therefore, such costs shall be charged to expense in accordance with paragraph 310-20-35-15 whether the costs are paid to independent third parties or incurred internally. In some circumstances judgment may be necessary to determine if a third party is independent.

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310-20-30 Initial Measurement

General Note: The Initial Measurement Section provides guidance on the criteria and amounts used to measure a particular item at the date of initial recognition.
General

30-1 This Section addresses the measurement of certain types of lending fees and costs, specifically:

a. Loan origination fees and costs
b. Syndication fees
c. Purchase of a loan or group of loans.

> Loan Origination Fees and Costs

30-2 Loan origination fees and related direct loan origination costs for a given loan shall be offset and only the net amount shall be deferred.

30-3 For increasing interest rate loans, the recorded net investment in a loan may exceed the amount by which the borrower could settle the obligation but only if the excess results from a purchase premium (loans purchased) or loan costs that qualify for deferral in excess of loan fees (loans originated).

> Syndication Fees

30-4 Paragraph 310-20-25-19 explains that, if the yield on the portion of the loan retained by the syndicator is less than the average yield to the other syndication participants after considering the fees passed through by the syndicator, the syndicator shall defer a portion of the syndication fee to produce a yield on the portion of the loan retained that is not less than the average yield on the loans held by the other syndication participants.

> Purchase of a Loan or Group of Loans

30-5 The initial investment in a purchased loan or group of loans shall include the amount paid to the seller plus any fees paid or less any fees received. In applying the provisions of this Subtopic to loans purchased as a group, the purchaser may allocate the initial investment to the individual loans or may account for the initial investment in the aggregate.

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310-20-35 Subsequent Measurement

**General Note:** The Subsequent Measurement Section provides guidance on an entity’s subsequent measurement and subsequent recognition of an item. Situations that may result in subsequent changes to carrying amount include impairment, fair value adjustments, depreciation and amortization, and so forth.

**General**

35-1 This Section addresses measurement issues for certain fees and costs related to various forms of lending, specifically:

a. **Loan origination fees** and costs

b. **Commitment fees** and costs

c. **Credit card fees** and costs

d. **Loan** refinancing or restructuring

e. Purchase of a loan or group of loans

f. Interest method and other amortization matters

g. Estimating principal prepayments

h. Lending transactions unrelated to the origination of loans
i. Blended-rate loans.

> Loan Origination Fees and Costs

35-2 Loan origination fees deferred in accordance with paragraph 310-20-25-2 shall be recognized over the life of the loan as an adjustment of yield (interest income). Likewise, direct loan origination costs deferred in accordance with that paragraph shall be recognized as a reduction in the yield of the loan except as set forth in paragraph 310-20-35-12 (for a troubled debt restructuring). Paragraph 310-20-30-2 explains that loan origination fees and related direct loan origination costs for a given loan shall be offset and only the net amount shall be amortized.

> Commitment Fees and Costs

35-3 Except as set forth in this paragraph, fees received for a commitment to originate or purchase a loan or group of loans shall be, if the commitment is exercised, recognized over the life of the loan as an adjustment of yield or, if the commitment expires unexercised, recognized in income upon expiration of the commitment:

   a. If the entity's experience with similar arrangements indicates that the likelihood that the commitment will be exercised is remote, the commitment fee shall be recognized over the commitment period on a straight-line basis as service fee income. If the commitment is subsequently exercised during the commitment period, the remaining unamortized commitment fee at the time of exercise shall be recognized over the life of the loan as an adjustment of yield. The term remote is used here, consistent with its use in Topic 450, to mean that the likelihood is slight that a loan commitment will be exercised before its expiration.

   b. If the amount of the commitment fee is determined retrospectively as a percentage of the line of credit available but unused in a previous period, if that percentage is nominal in relation to the stated interest rate on any related borrowing, and if that borrowing will bear a market interest rate at the date the loan is made, the commitment fee shall be recognized as service fee income as of the determination date.

> Credit Card Fees and Costs

35-4 The following guidance addresses the amortization of deferred origination costs of credit cards with fees, without fees, or when the fees have been waived for a limited period of time.

35-5 Fees deferred in accordance with paragraph 310-20-25-15 shall be recognized on a straight-line basis over the period the fee entitles the cardholder to use the card. This accounting shall also apply to other similar card arrangements that involve an extension of credit by the card issuer.

35-6 In connection with the issuance of a credit card, an issuer may incur certain credit card origination costs that qualify as direct loan origination costs pursuant to this Topic. Paragraph 310-20-25-16 explains that only the costs of origination that qualify as direct loan origination costs under the definition of that term are eligible
for deferral. That definition explains that all other costs shall be charged to expense as incurred. That definition explains that, therefore, costs eligible for deferral would likely exceed fees only when a credit card is first issued.

35-7 The net amount of credit card origination costs netted against the related credit card fee, if any, and recognized in accordance with paragraph 310-20-25-17 shall be amortized on a straight-line basis over the privilege period. That paragraph states that significance for this purpose shall be evaluated based on the amount of the fee relative to the related costs and provides related guidance.

35-8 Any net amount deferred in accordance with paragraph 310-20-25-18 shall be amortized on a straight-line basis over the privilege period.

> **Loan Refinancing or Restructuring**

35-9 If the terms of the new loan resulting from a loan refinancing or restructuring other than a troubled debt restructuring are at least as favorable to the lender as the terms for comparable loans to other customers with similar collection risks who are not refinancing or restructuring a loan with the lender, the refinanced loan shall be accounted for as a new loan. This condition would be met if the new loan's effective yield is at least equal to the effective yield for such loans and modifications of the original debt instrument are more than minor. Any unamortized net fees or costs and any prepayment penalties from the original loan shall be recognized in interest income when the new loan is granted. The effective yield comparison considers the level of nominal interest rate, commitment and origination fees, and direct loan origination costs and would also consider comparison of other factors where appropriate, such as compensating balance arrangements.

35-10 If the refinancing or restructuring does not meet the condition set forth in the preceding paragraph or if only minor modifications are made to the original loan contract, the unamortized net fees or costs from the original loan and any prepayment penalties shall be carried forward as a part of the net investment in the new loan. In this case, the investment in the new loan shall consist of the remaining net investment in the original loan, any additional amounts loaned, any fees received, and direct loan origination costs associated with the refinancing or restructuring.

35-11 A modification of a debt instrument shall be considered more than minor under the preceding paragraph if the present value of the cash flows under the terms of the new debt instrument is at least 10 percent different from the present value of the remaining cash flows under the terms of the original instrument. If the difference between the present value of the cash flows under the terms of the new debt instrument and the present value of the remaining cash flows under the terms of the original debt instrument is less than 10 percent, a creditor shall evaluate whether the modification is more than minor based on the specific facts and circumstances (and other relevant considerations) surrounding the modification. The guidance in Topic 470 shall be used to calculate the present value of the cash flows for purposes of applying the 10 percent test.

35-12 Fees received in connection with a modification of terms of a troubled debt restructuring as defined in Subtopic 310-40 shall be applied as a reduction of the recorded investment in the loan. All related costs, including direct loan origination costs, shall be charged to expense as incurred.
>> Mortgage Loan Payment Modifications

35-13 The borrower and lender may enter into an agreement whereby the borrower increases his mortgage payments for a specified period, at the conclusion of which the lender forgives a portion of the remaining principal on the loan. The borrower may terminate the arrangement at any time but receives no principal reduction if he makes less than 12 consecutive increased payments. The guidance in paragraph 310-20-35-11 shall first be used to determine whether the modification is considered more than minor under paragraph 310-20-35-10. If not, and assuming it is probable that the borrower will continue to make the increased payments for the specified period, the expense relating to the partial forgiveness shall be accrued over the period of increased payments.

35-14 Because of a decline in general interest rates, a lender may reduce the interest rate on an existing loan and collect a loan fee. Because the interest rate modification does not require another loan closing, the borrower is not charged many of the standard closing costs. The effective yield on the new loan shall be compared with the effective yield of comparable loans to the lender's other new customers to determine whether the yield on the new loan is at least as favorable as the effective yield for such loans. If so, the guidance in paragraph 310-20-35-11 shall be used to determine whether the modification is considered more than minor under paragraph 310-20-35-10. If not, the unamortized net fees and costs from the original loan and any prepayment penalties shall be carried forward as part of the net investment in the new loan. However, if the interest rate modification is provided for in the original loan contract, the change in the interest rate shall be accounted for in accordance with paragraph 310-20-35-18 and not considered a refinancing for purposes of paragraphs 310-20-35-9 through 35-10.

> Purchase of a Loan or Group of Loans

35-15 Paragraph 310-20-30-5 explains that the initial investment in a purchased loan or group of loans shall include the amount paid to the seller plus any fees paid or less any fees received. Paragraph 310-20-25-22 explains that the initial investment frequently differs from the related loan's principal amount at the date of purchase. This difference shall be recognized as an adjustment of yield over the life of the loan.

35-16 Paragraph 310-20-30-5 explains that, in applying the provisions of this Subtopic to loans purchased as a group, the purchaser may allocate the initial investment to the individual loans or may account for the initial investment in the aggregate. The cash flows provided by the underlying loan contracts shall be used to apply the interest method, except as set forth in paragraph 310-20-35-26. If prepayments are not anticipated pursuant to that paragraph and prepayments occur or a portion of the purchased loans is sold, a proportionate amount of the related deferred fees and purchase premium or discount shall be recognized in income so that the effective interest rate on the remaining portion of loans continues unchanged.

> Interest Method and Other Amortization Matters

35-17 Deferred net fees or costs shall not be amortized during periods in which interest income on a loan is
not being recognized because of concerns about the realization of loan principal or interest.

35-18 Net fees or costs that are required to be recognized as yield adjustments over the life of the related loan(s) shall be recognized by the interest method except as set forth in paragraphs 310-20-35-21 through 35-24. The objective of the interest method is to arrive at periodic interest income (including recognition of fees and costs) at a constant effective yield on the net investment in the receivable (that is, the principal amount of the receivable adjusted by unamortized fees or costs and purchase premium or discount). The difference between the periodic interest income so determined and the stated interest on the outstanding principal amount of the receivable is the amount of periodic amortization. See paragraphs 835-30-35-2 through 35-5 for guidance concerning the interest method. Under the provisions of this Subtopic, the interest method shall be applied as follows when the stated interest rate is not constant throughout the term of the loan:

a. If the loan's stated interest rate increases during the term of the loan (so that interest accrued under the interest method in early periods would exceed interest at the stated rate), interest income shall not be recognized to the extent that the net investment in the loan would increase to an amount greater than the amount at which the borrower could settle the obligation. Prepayment penalties shall be considered in determining the amount at which the borrower could settle the obligation only to the extent that such penalties are imposed throughout the loan term. (See Section 310-20-55.) Accordingly, a limit is imposed on the amount of periodic amortization that can be recognized. However, that limitation does not apply to the capitalization of costs incurred (such as direct loan origination costs and purchase premiums) that cause the investment in the loan to be in excess of the amount at which the borrower could settle the obligation. The capitalization of costs incurred is different from increasing the net investment in a loan through accrual of interest income that is only contingently receivable.

b. If the loan's stated interest rate decreases during the term of the loan, the stated periodic interest received early in the term of the loan would exceed the periodic interest income that is calculated under the interest method. In that circumstance, the excess shall be deferred and recognized in those future periods when the constant effective yield under the interest method exceeds the stated interest rate. (See Section 310-20-55.)

c. If the loan's stated interest rate varies based on future changes in an independent factor, such as an index or rate (for example, the prime rate, the London Interbank Offered Rate [LIBOR], or the U.S. Treasury bill weekly average rate), the calculation of the constant effective yield necessary to recognize fees and costs shall be based either on the factor (the index or rate) that is in effect at the inception of the loan or on the factor as it changes over the life of the loan. (See Section 310-20-55.) A variable rate loan whose initial rate differs from the rate its base factor would produce is also subject to the provisions of (a) and (b).

35-19 The preceding paragraph provides that when a loan's stated interest rate varies based on future changes in an independent factor, the lender shall calculate a constant effective yield by using the independent factor in effect at the inception of the loan or the factor as it changes over the life of the loan. In applying the guidance in (c) in the preceding paragraph, the lender may not change from one alternative to the other during the life of the loan. The lender must select one of the two alternatives and apply the method consistently throughout the life of the loan.

35-20 In a period in which the independent factor on a variable rate loan changes, the constant effective yield is recalculated not from the inception of the loan but from the time of the change. See Example 9 (paragraph 310-20-55-43) for an illustration.
35-21 Certain loan agreements provide no scheduled payment terms (demand loans); others provide the borrower with the option to make multiple borrowings up to a specified maximum amount, to repay portions of previous borrowings, and then reborrow under the same contract (revolving lines of credit).

35-22 For a loan that is payable at the lender's demand, any net fees or costs may be recognized as an adjustment of yield on a straight-line basis over a period that is consistent with any of the following:

a. The understanding between the borrower and lender

b. If no understanding exists, the lender's estimate of the period of time over which the loan will remain outstanding; any unamortized amount shall be recognized when the loan is paid in full.

Such estimates should be monitored regularly and revised as appropriate. If, contrary to expectation, a loan remains outstanding beyond the anticipated payment date, no adjustment is required.

35-23 For revolving lines of credit (or similar loan arrangements), the net fees or costs shall be recognized in income on a straight-line basis over the period the revolving line of credit is active, assuming that borrowings are outstanding for the maximum term provided in the loan contract. If the borrower pays all borrowings and cannot reborrow under the contract, any unamortized net fees or costs shall be recognized in income upon payment. The interest method shall be applied to recognize net unamortized fees or costs when the loan agreement provides a schedule for payment and no additional borrowings are provided for under the agreement.

35-24 For example, if the loan agreement provides the borrower with the option to convert a one-year revolving line of credit to a five-year term loan, during the term of the revolving line of credit the lender would recognize the net fees or costs as income on a straight-line basis using the combined life of the revolving line of credit and term loan. If the borrower elects to convert the line of credit to a term loan, the lender would recognize the unamortized net fees or costs as an adjustment of yield using the interest method. If the revolving line of credit expires and borrowings are extinguished, the unamortized net fees or costs would be recognized in income upon payment.

35-25 If the borrower continues to have a contractual right to borrow under the revolving line of credit, net fees and costs associated with revolving lines of credit shall be amortized over the term of the revolver even if the revolver is unused for a period of time.

> Estimating Principal Prepayments

35-26 Except as stated in the following sentence, the calculation of the constant effective yield necessary to apply the interest method shall use the payment terms required by the loan contract, and prepayments of principal shall not be anticipated to shorten the loan term. If the entity holds a large number of similar loans for which prepayments are probable and the timing and amount of prepayments can be reasonably estimated, the entity may consider estimates of future principal prepayments in the calculation of the constant effective yield necessary to apply the interest method. If the entity anticipates prepayments in applying the interest method and a difference arises between the prepayments anticipated and actual prepayments received, the entity shall recalculate the effective yield to reflect actual payments to date and anticipated future payments. The net investment in the loans shall be adjusted to the amount that would have existed had the new effective yield
been applied since the acquisition of the loans. The investment in the loans shall be adjusted to the new balance with a corresponding charge or credit to interest income.

35-27 Loans grouped together shall have sufficiently similar characteristics that prepayment experience of the loans can be expected to be similar in a variety of interest rate environments. Loans that are grouped together for purposes of applying the preceding paragraph shall have sufficiently similar levels of net fees or costs so that, in the event that an individual loan is sold, recalculation of that loan's carrying amount will be practicable.

35-28 For loans that do qualify under paragraph 310-20-35-26, a lender may use either method for different loans and select the most appropriate method for a group of loans based on the characteristics of those loans. (For example, homogeneous mortgage loans might be aggregated while construction loans are accounted for separately.) However, once a lender has selected the appropriate method of accounting for a loan or a group of loans, a lender must continue to use the method throughout the life of the loan or group of loans.

35-29 If loan-by-loan accounting is used, net fees and costs shall be amortized over the contract life and adjusted based on actual prepayments.

35-30 There are a number of characteristics to be considered in determining whether the lender holds a large number of similar loans for purposes of estimating prepayments in accordance with paragraph 310-20-35-26. The objective is to evaluate all characteristics that would affect the ability of the lender to estimate the behavior of a group of loans. The following are examples of some characteristics that shall be considered when aggregating loans:

a. Loan type
b. Loan size
c. Nature and location of collateral
d. Coupon interest rate
e. Maturity
f. Period of origination
g. Prepayment history of the loans (if seasoned)
h. Level of net fees or costs
i. Prepayment penalties
j. Interest rate type (fixed or variable)
k. Expected prepayment performance in varying interest rate scenarios.

35-31 If a lender meets the requirements of paragraph 310-20-35-26 for considering principal prepayments in calculating constant effective yield, several factors shall be considered in estimating those principal prepayments. The lender shall consider historical prepayment data in making its estimate of future prepayments. Also, the lender shall consider external information, including existing and forecasted interest rates and economic conditions and published mortality and prepayment tables for similar loans. If periodic changes in
estimates occur or actual prepayments are different from estimated prepayments, an adjustment will be necessary.

35-32 If a lender aggregates loans for purposes of estimating prepayments and subsequently sells some of the loans, generally, the loans that are aggregated have lost their individual distinction. A pro rata calculation of net fees and costs based on the ratio of the outstanding principal balances of the loans sold would be appropriate in the gain or loss calculation. If the lender has sufficiently detailed accounting records for the aggregated loans, specific identification may be used in the gain or loss calculation.

35-33 Assuming that an entity purchases an individual callable bond at a premium, the premium may not be amortized to the earliest call date. Under paragraph 310-20-35-26, an entity must have a large number of similar loans in order to consider estimates of future principal prepayments when applying the interest method.

> Lending Transactions Unrelated to the Origination of Loans

35-34 A lender may receive fees for lending transactions unrelated to the origination of loans. For example, a borrower may pay a fee to the lender for extending the contractual maturity of an existing loan, for converting an adjustable-rate mortgage to a fixed-rate loan, or for the assumption of an existing loan by a new borrower. The fees shall be recognized over the remaining life of the loan as an adjustment of yield. In each situation, the lender has made some form of concession to the initial or underlying borrower by altering the original terms of the initial underwriting; thus, any fees received shall be recognized as an adjustment of yield over the remaining life of the loan.

> Blended-Rate Loans

35-35 A blended-rate loan yields an interest rate between the existing loan rate and the market rate. The resulting loan is subject to the same underwriting standards as all other new loans. This arrangement is considered a refinancing but it does not meet the yield criteria prescribed in paragraph 310-20-35-9. Thus, the unamortized net fees and costs on the existing loan as well as the net fees and costs relating to the refinancing shall carry over to the new loan because the blended rate is below the market rate of loans with similar collection risks made to the lender's other customers.
310-20-40 Derecognition

General Note: The Derecognition Section provides guidance on determining whether and when an entity should remove an item from the financial statements. For example, the entity would derecognize an asset because it no longer has rights to the asset or it would derecognize a liability because it no longer has any obligation.

General

> Commitment Fees

40-1 Except as set forth in paragraph 310-20-35-3(a) through (b), fees received for a commitment to originate or purchase a loan or group of loans shall be, if the commitment expires unexercised, recognized in income upon expiration of the commitment.
310-20-45 Other Presentation Matters

**General Note:** The Other Presentation Matters Section provides guidance on other presentation matters not addressed in the Recognition, Initial Measurement, Subsequent Measurement, and Derecognition Sections. Other presentation matters may include items such as current or long-term balance sheet classification, cash flow presentation, earnings per share matters, and so forth. The FASB Codification also contains Presentation Topics, which provide guidance for general presentation and display items. See those Topics for general guidance.

**General**

> **Balance Sheet Classification**

45-1 The unamortized balance of loan origination, commitment, and other fees and costs and purchase premiums and discounts that is being recognized as an adjustment of yield pursuant to this Subtopic shall be reported on the entity's balance sheet as part of the loan balance to which it relates.

45-2 Commitment fees that meet the criteria of paragraph 310-20-35-3 shall be classified as deferred income in the financial statements.

> **Income Statement Classification**

45-3 Amounts of loan origination, commitment, and other fees and costs recognized as an adjustment of yield shall be reported as part of interest income. Amortization of other fees, such as commitment fees that are being amortized on a straight-line basis over the commitment period or included in income when the commitment expires, shall be reported as service fee income.
310-20-50 Disclosure

**General Note:** The Disclosure Section provides guidance regarding the disclosure in the notes to financial statements. In some cases, disclosure may relate to disclosure on the face of the financial statements.

**General**

> **Net Fees and Costs**

**50-1** This paragraph requires that the summary of significant accounting policies shall include the method for recognizing interest income on loan and trade receivables, including a statement about the entity’s policy for treatment of related fees and costs, including the method of amortizing net deferred fees or costs.

**50-2** Entities that anticipate prepayments in applying the interest method shall disclose that policy and the significant assumptions underlying the prepayment estimates.

**50-3** The unamortized net fees and costs shall be reported as a part of each loan category. Additional disclosures such as unamortized net fees and costs may be included in the footnotes to the financial statements if the lender believes that such information is useful to the users of financial statements.
50-4 With respect to credit card fees and costs for both purchased and originated credit cards, an entity shall disclose its accounting policy, the net amount capitalized at the balance sheet date, and the amortization period(s).

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310-20-55 Implementation Guidance and Illustrations

General Note: The Implementation Guidance and Illustrations Section contains implementation guidance and illustrations that are an integral part of the Subtopic. The implementation guidance and illustrations do not address all possible variations. Users must consider carefully the actual facts and circumstances in relation to the requirements of the Subtopic.

310-20-55 Implementation Guidance and Illustrations

General

> Implementation Guidance

55-1 This Section provides guidance concerning certain fees and costs related to various forms of lending.
**>> Automotive Lending Fees to Dealers**

55-2 In automotive lending, it is common practice for a lending institution to pay a fee to an auto dealer for introducing a customer that requires financing for a completed auto sale. Generally, the lender pays the dealer up front an amount equal to the present value of the interest rate differential between the lender's standard loan rate and the rate charged to the auto dealer's customer with the expectation of recovering this amount from the borrower over time. Although this origination cost is recoverable from the borrower, it is not excluded from the scope of this Topic. This Topic does not apply to costs that are incurred by a lender in transactions with independent third parties if the lender bills those costs directly to the borrower. In this case, however, the payments to the auto dealer are not billed directly to the borrower. Instead, they are recovered from the borrower through the interest rate charged to the borrower, as are the lender's other costs. (See the definition of the term for what constitutes incremental direct costs.)

**>> Line of Credit or Credit Facility**

55-3 Assume that the amount of a commitment fee for a line of credit or credit facility is determined retrospectively as a percentage of the line of credit or commitment available but unused in a previous period. Also assume that the fee is paid periodically during the life of the facility or commitment, but the costs are incurred when the lender establishes the facility or commitment. How a lender should account for those costs depends on several factors. Costs that meet the criteria for direct loan origination costs under the definition of that term shall be deferred and amortized based on the terms of the line of credit or commitment facility. If the commitment agreement is a revolving line of credit, the qualifying costs shall be recognized in income on a straight-line basis over the period that the revolving line of credit is active. If the loan agreement provides the borrower with the option to convert the revolving line of credit to a term loan, the lender shall recognize the costs on a straight-line basis over the combined life of the revolving line of credit and term loan. If the line of credit or commitment facility is not a revolving line of credit, the costs shall be deferred and amortized on a straight-line basis over the commitment period unless the likelihood that the commitment will be exercised is remote, in which case any net costs shall be charged to expense immediately.

**>> Multioption Facility**

55-4 Some lenders offer loan commitments known as multioption facilities. Those facilities contain several credit structures that borrowers may use in any combination. The lenders may receive a variety of fees in connection with that type of facility. Some fees may be yield related (for example, fees for providing back-up facilities or revolvers), while others may be labeled as compensation for services rendered (for example, management fees or note placement fees). Generally all fees, in accordance with paragraph 310-20-35-3 should be deferred. For amortization purposes, fees received for a multioption facility shall be allocated to each product in the facility because the amortization of certain fees must be reported as service fee income while the amortization of other fees must be reported as interest income. If a portion of the fee is for a line of credit
product, the fee allocated shall be recognized in income on a straight-line basis over the period the revolving line of credit is active. If the likelihood that a commitment provided under a multi-option facility will be exercised is remote, paragraph 310-20-35-3(a) requires that the fee be recognized over the commitment period on a straight-line basis as service fee income.

>> Credit Card Solicitation Costs

55-5 In a typical credit card solicitation effort, an issuer engages an independent third party to solicit and obtain new customers. For a fee, the solicitor prepares and mails the promotional offer to a group of preselected consumers (for example, 1 million consumers). The expected response rate for new cardholders is generally 1 to 2 percent. Although only a small percentage of the total solicitation effort is expected to be successful, the portion of the solicitation performed by an independent third party that is allocable to successful efforts should not be deferred as direct loan origination costs under the definition of that term. Incremental direct costs to originate a loan are costs that the lender would not have incurred if that lending transaction had not occurred. In this example, the lender would have incurred all of the solicitation costs regardless of the number of credit cards issued. Accordingly, all costs in this example should be charged to expense.

>> Loans with Teaser Rates

55-6 Loans may be offered for some initial period at an interest rate below the current market rate with the interest rate scheduled to adjust to a market rate after the initial discount period. Amortization of net loan fees and costs is based on the interest method over the life of the loan and limited by the provisions of paragraph 310-20-35-18(a) and 310-20-35-18(c) during the discount period. Thereafter, the provisions of paragraph 310-20-35-18(c) are applicable. See Examples 5 and 6 (paragraphs 310-20-55-33 through 55-37) for illustrations.

55-7 Assume that an institution originates adjustable rate mortgages that have a below-market interest rate in the first year that subsequently will be adjusted to a market rate in the second year. Also assume that the adjustable rate mortgages are sold to an independent third party at a discount reflecting the below-market interest rate in Year 1. Paragraph 310-20-35-15 provides that the initial investment frequently differs from the related loan's principal amount at the date of purchase. This difference shall be recognized as an adjustment of yield over the life of the loan. The buyer should recognize the discount as an adjustment of yield over the life of the loan in accordance with paragraph 310-20-35-18(a) and 310-20-35-18(c). The purchase discount should be amortized to create a constant effective yield; thus, the majority of the discount would be recognized as interest income in the first year.

>> Amortization Methods for Associated Types of Loans

55-8 The following amortization methods shall be applied to the associated types of loan arrangements:

a. Negative amortization loans: interest method
b. Biweekly mortgages: interest method

c. Line of credit loans or arrangements with similar characteristics: straight-line method

d. Overdraft protection loans: straight-line method

e. Home equity loans: generally the interest method, but the straight-line method may be used if the arrangement has the characteristics of a revolving line of credit

f. Acquisition, development, and construction arrangements accounted for as loans before completion of funding, as follows:

   1. Single project: interest method (For loan contracts in which the timing and amount of payments are not specified, estimates must be made to apply the interest method.)

   2. Multiple projects with partial drawdowns and payments: generally the interest method, but the straight-line method may be used if the arrangement has the characteristics of a revolving line of credit.

>> Independent Third Parties

55-9 Independent third parties generally possess the following characteristics:

a. They are not employees of the lender.

b. They are not receiving employee benefits of the lender.

c. The party is not under the control of the lender.

d. Generally, the party also would provide similar services to other entities unrelated to the lender and there would not be an agreement between the lender and the party that precludes the party from providing similar services to other entities.

55-10 In determining if an entity that provided loan origination-related services on behalf of the lender could be considered an independent third party if the lender has an ownership or equity interest in the entity, such ownership interest shall be evaluated based on the level of ownership and influence that could be imposed. Generally, the existence of an ownership interest indicates a relationship that would not qualify as an independent third party. A nominal passive investment from the standpoint of both the lender and the provider of service probably would not affect the provider's independence.

>> Other Direct Loan Origination Costs

55-11 Examples of other direct loan origination costs that may be deferred as such under the definition of that term for loans that are granted include all of the following:
a. Reimbursement of costs for air travel, hotel accommodations, automobile mileage, and similar costs incurred by personnel relating to the specified activities

b. Costs of itemized long-distance telephone calls related to loan underwriting

c. Reimbursement for mileage and tolls to personnel involved in on-site reviews of collateral before the loan is granted.

55-12 Payroll-related fringe benefits include any costs incurred for employees as part of the total compensation and benefits program. Examples of such benefits include all of the following:

a. Payroll taxes

b. Dental and medical insurance

c. Group life insurance

d. Retirement plans

e. 401(k) plans

f. Stock compensation plans, such as stock options and stock appreciation rights

g. Overtime meal allowances.

55-13 The portion of total compensation of executive employees that relates directly to the time spent approving successful loans prior to funding may be deferred as direct loan origination costs under the definition of that term. For example, the amount of compensation allocable to time spent by members of a loan approval committee is a component of direct loan origination costs.

55-14 Paragraph 310-20-25-3 specifies that equipment costs (for example, a lender's data processing equipment dedicated to originating loans), depreciation, and maintenance must be charged to expense as incurred. Those costs do not meet the criteria for deferral as direct loan origination costs under the definition of that term as they would have been incurred whether or not a loan was originated.

>> Specified Activities

55-15 The following are examples of specified activities contemplated as direct loan origination costs under the definition of that term:

a. Loan counseling, such as discussing alternative borrowing arrangements with borrowers, and negotiating terms

b. Application processing

c. Appraisal
d. Initial credit analysis

e. Initial credit investigation

f. Quality control review performed during the underwriting period

g. Direct approval processing

h. Loan evaluation and approval committees (all activities involved in origination decisions)
i. Loan closing.

>> Construction Loan with Related Permanent Financing

55-16 If a lender has fees and costs on a construction loan (assuming the arrangement does not have the characteristics of a revolving line of credit) when the lender also has made a commitment for the permanent financing that the lender believes has more than a remote probability of being exercised, the fees and costs should be accounted for in the following manner. For loan contracts in which the timing and amount of payments are not specified, estimates must be made by the lender to apply the interest method. The net amount of fees received and costs that qualify as direct loan origination costs under the definition of that term should be deferred and recognized as an adjustment of yield over the combined life of the construction and permanent loans. If the commitment to provide permanent financing expires unused, any unamortized fees and costs should be recognized as income at that time.

>> Ninety-Day Loan with Possible Extension

55-17 Assume that a lender grants a loan that matures in 90 days and collects a nonrefundable fee that approximates market. Assume also that any future extension of credit would be evaluated at maturity of the original loan and would include an extension fee at that time. Based on experience, the lender anticipates that the credit will be extended an additional 90 days, however; the lender is not committed to provide an extension. The fee, net of qualifying origination costs, should be deferred and amortized over the original 90-day loan contract.

>> Ten-Year Loan with Three-Year Callable Feature

55-18 If a lender originates a 10-year loan with a callable feature after 3 years, the fees should be amortized over the 10-year contract life.

> Illustrations
The following Examples and estimates are illustrative only and are not intended to modify or limit in any way the provisions of this Subtopic. All Examples assume that principal and interest payments are made on the last day of the year.

>> Example 1: Amortization Based on Contractual Payment Terms

This Example illustrates the guidance in paragraphs 310-20-35-17 through 35-24, displaying amortization under the interest method using the contractual payment terms and assuming no prepayments. This Example has the following assumptions.

On January 1, 19X7, Entity A originates a 10-year $100,000 loan with a 10 percent stated interest rate. The contract specifies equal annual payments of $16,275 through December 31, 19Y6. The contract also specifies that no penalty will be charged for prepayments of the loan. Entity A charges a 3 percent ($3,000) nonrefundable fee to the borrower and incurs $1,000 in direct loan origination costs (attorney fees, appraisal, title insurance, wages and payroll-related fringe benefits of employees performing origination activities, outside broker's fee). The carrying amount of the loan is computed as follows.

Entity A accounts for this loan using contractual payments to apply the interest method of amortization. In calculating the effective rate to apply the interest method, the discount rate necessary to equate 10 annual payments of $16,275 to the initial carrying amount of $98,000 is approximately 10.4736 percent. The amortization if no prepayment occurs is shown in the following table.

>> Example 2: Amortization Based on Contractual Payment Terms with Full Prepayment in Year 3

This Example illustrates the guidance in paragraphs 310-20-35-17 through 35-24, displaying amortization under the interest method using contractual payment terms with full prepayment in the third year. This Example has the following assumptions.

On January 1, 19X7, Entity B originates a 10-year $100,000 loan with a 10 percent stated interest rate. The contract specifies equal annual payments of $16,275 through December 31, 19Y6. The contract also specifies that no penalty will be charged for prepayments of the loan. Entity B charges a 3 percent ($3,000) nonrefundable fee to the borrower and incurs $1,000 in direct loan origination costs.
55-25 Entity B accounts for this loan using contractual payments to apply the interest method of amortization. The amortization if the borrower prepays the remaining principal at the end of Year 3 is shown in the following table.

>> Example 3: Amortization Based on Estimated Prepayment Patterns

55-26 This Example illustrates the guidance in paragraph 310-20-35-26, displaying amortization under the interest method using the anticipated prepayment patterns for a large number of loans. This Example has the following assumptions.

55-27 On January 1, 19X7, Entity C originates 1,000 10-year $10,000 loans with 10 percent stated interest rates. Each contract specifies equal annual payments through December 31, 19Y6. The contracts also specify that no penalty will be charged for prepayments. Entity C charges each borrower a 3 percent ($300) fee and incurs $100 in direct origination costs for each loan. The carrying amount of the loans is computed as follows.

55-28 Entity C chooses to account for this large number of loans using anticipated prepayment patterns to apply the interest method of amortization. Entity C estimates a constant prepayment rate of 6 percent per year, which is consistent with Entity C's prior experience with similar loans and Entity C's expectation of ongoing experience. The amortization when prepayments occur as anticipated is shown in the following table.

>> Example 4: Amortization Based on Estimated Prepayment Patterns Adjusted for Change in Estimate

55-29 This Example illustrates the guidance in paragraph 310-20-35-26, displaying amortization under the interest method using anticipated prepayment patterns with actual prepayment experience that differs from the anticipated amounts. This Example has the following assumptions.

55-30 On January 1, 19X7, Entity D originates 1,000 10-year $10,000 loans with 10 percent stated interest rates. Each contract specifies equal annual payments through December 31, 19Y6. The contracts also specify that no penalty will be charged for prepayments. Entity D charges each borrower a 3 percent ($300) fee and
incurs $100 in direct origination costs for each loan.

55-31  Entity D chooses to account for this portfolio of loans using anticipated prepayment patterns to apply the interest method of amortization. Entity D estimates a constant prepayment rate of 6 percent per year, which is consistent with Entity D's prior experience with similar loans and Entity D's expectation of ongoing experience.

55-32  The following table illustrates the adjustment required by paragraph 310-20-35-26 of this Subtopic when an entity's actual prepayment experience differs from the amounts anticipated. The loans have actually prepaid at a rate of 6 percent in Years 1 and 2 and 20 percent in Year 3, and based on the new information at the end of Year 3, Entity D revises its estimate of prepayment experience to anticipate that 10 percent of the loans will prepay in Year 4 and 6 percent of the loans will prepay in remaining years. The carrying amount of the loans at the end of Year 3 is adjusted to the amount that would have existed had the new effective yield been applied since January 1, 19X7. Included in amortization in Year 3 is an adjustment for the difference in the prior effective yield and the new effective yield applied to amounts outstanding in Years 1 and 2. Amortization in Years 4-10 assumes the new estimates of prepayment experience occur as anticipated.

>>  Example 5: Application of Paragraph 310-20-35-18(a)—When the Loan's Prepayment Penalty Is Effective Throughout the Entire Term

55-33  This Example illustrates the guidance in paragraph 310-20-35-18(a), displaying amortization under the interest method. The effective yield is used to recognize an amount in excess of net fees for the loan with an increasing stated rate. The excess recognized is permissible only to the extent that the loan agreement provides for a prepayment penalty that is effective through the loan term. This Example has the following assumptions.

55-34  Entity E grants a 10-year $100,000 loan with an 8 percent stated interest rate in Year 1 and 10 percent in Years 2-10. Entity E receives net fees of $1,000 related to this loan. The contract specifies that the borrower must pay a penalty equal to 1 percent of any principal prepaid. Application of the effective yield to recognize an amount in excess of net fees is appropriate for a loan with an increasing stated interest rate only to the extent that the loan agreement provides for a prepayment penalty that is effective throughout the loan term. The loan would be accounted for as follows.

>>  Example 6: Application of Paragraph 310-20-35-18(a)—With No Prepayment Penalty

55-35  This Example illustrates the guidance in paragraph 310-20-35-18(a) for the application of the interest
method of amortization with an increasing rate loan and with no penalty charged for prepayment of principal. This Example has the following assumptions.

55-36 Entity F grants a 10-year $100,000 loan. The contract provides for 8 percent interest in Year 1 and 10 percent interest in Years 2-10. Entity F receives net fees of $1,000 related to this loan. The contract specifies that no penalty will be charged for prepayment of principal.

55-37 The discount factor that equates the present value of the cash inflows in Column 1 with the initial cash outflow of $99,000 is 9.8085 percent. In Year 1, recognition of interest income on the investment of $99,000 at a rate of 9.8085 percent would cause the investment to be $93,807, or $710 greater than the amount at which the borrower could settle the obligation. Because the condition set forth in paragraph 310-20-35-18(a) is not met, recognition of an amount greater than the net fee is not permitted. The loan would be accounted for as follows.

>> Example 7: Application of Paragraph 310-20-35-18(b)

55-38 This Example illustrates the guidance in paragraph 310-20-35-18(b) for the application of the interest method for a loan with a decreasing interest rate. This Example has the following assumptions.

55-39 Entity G grants a 10-year $100,000 mortgage. Entity G receives net fees of $1,000 related to this loan. The contract provides for an interest rate of 12 percent in Year 1, 11 percent in Year 2, and 10 percent thereafter. The loan would be accounted for as follows.

>> Example 8: Application of Paragraph 310-20-35-18(c)—Amortization Based on Factor at Inception

55-40 This Example illustrates the guidance in paragraph 310-20-35-18(c) for the application of the interest rate method for a variable rate loan with the amortization based on the index at the date the loan is granted ignoring subsequent changes in the factor. This Example has the following assumptions.

55-41 Entity H grants a 10-year variable rate mortgage. The loan's interest rate and payment are adjusted annually based on the weekly Treasury bill index plus 1 percent. At the date the loan is granted, this index is 7 percent and does not change until the end of Year 3. The first year loan interest rate is 8 percent (equal to the Treasury bill index plus 1 percent). Entity H receives net fees of $3,000. At the end of Year 3 the index changes to 9 percent and does not change again. Therefore, the loan's stated interest rate is 8 percent for Years 1-3 and 10 percent for Years 4-10. Entity H chooses to determine the amortization based on the index at the date the
loan is granted and to ignore subsequent changes in the factor. The loan would be accounted for as follows.

>> Example 9: Application of Paragraph 310-20-35-18(c)—Amortization Recalculated for Subsequent Changes in Factor

55-42 This Example illustrates the guidance in paragraph 310-20-35-18(c) for the application of the interest method to a variable rate loan with amortization recalculated for subsequent changes in loan's index. This Example has the following assumptions.

55-43 Entity I grants a 10-year variable rate mortgage. The loan's interest rate and payment are adjusted annually based on the weekly Treasury bill index plus 1 percent. At the date the loan is granted, this index is 7 percent and does not change until the end of Year 3. The first year loan interest rate is 8 percent (equal to the Treasury bill index plus 1 percent). Entity I receives net fees of $3,000. At the end of Year 3 the index changes to 9 percent and does not change again. Therefore, the loan's stated interest rate is 8 percent for Years 1-3 and 10 percent for Years 4-10. Entity I chooses to recalculate a new amortization schedule each time the loan's index changes. The loan would be accounted for as follows.

>> Example 10: Amortization Using the Contract Life with a Partial Prepayment in Year Three

55-44 The following Cases illustrate the guidance in paragraph 310-20-35-16 for the application of the interest method of amortization using the contract life with a partial prepayment in Year 3.

55-45 Example 2 (paragraph 310-20-55-23) illustrates the application of the guidance in paragraphs 310-20-35-17 through 35-24 by a lender that is using contract life to amortize net deferred fees and costs for a group of loans with a full prepayment in Year 3. If the lender receives a partial prepayment in Year 3 rather than a full prepayment, the lender has two options to calculate the adjustment to unamortized net fees as required in paragraph 310-20-35-26, which states that a lender using contract life to amortize net fees and costs must adjust the unamortized amount if, and when, loan prepayments occur. Such prepayments should not result in a change in the effective interest rate of the loan. The lender should calculate the adjustment to unamortized net fees under either of the following Cases depending on the terms of the loan contract:

a. The lender will determine a new annual payment assuming the borrower will continue to make the payments through the original term of the loan contract (Case A).
b. The borrower will continue to make the original annual payment, however, over a shorter period than the term specified in the loan contract (Case B).

>>> Case A: New Annual Payment, Original Term

55-46 The following tables illustrate how the lender should calculate the adjustment to unamortized net fees assuming the borrower will continue to make the payments through the original term of the loan contract.

>>> Case B: Original Annual Payment, Shorter Term

55-47 The following tables illustrate how the lender should calculate the adjustment to unamortized net fees assuming the borrower will continue to make the original annual payment, however, over a shorter period than the term specified in the loan contract.

>> Example 11: Line of Credit or Credit Facility with Multiple Unscheduled Drawdowns

55-48 This Example illustrates the guidance in paragraphs 310-20-55-49 through 55-50.

55-49 Assume that a credit facility provides for the extension of multiple, unscheduled drawdowns (or loans) with varying maturities. Also assume that the facility does not have the characteristics of a revolving line of credit (for example, repayments of amounts borrowed are not available for reborrowing) and drawdowns are anticipated. The commitment fee shall be deferred until the facility is exercised and a drawdown is made. Given the multiple, unscheduled drawdowns intended under the facility, a pro rata portion of the commitment fee (equal to the percentage of the loan drawn down to the total facility) shall be recognized over the life of the applicable drawdown as an adjustment of its yield.

55-50 For example, assume that a commitment fee net of deferrable costs of $100,000 is received at the inception of a 2-year facility of $10,000,000 that permits the borrower to make multiple, unscheduled...
drawdowns of varying maturities during the 2-year commitment period. Assume then that the borrower draws down a $1,000,000 loan due in 3 years in the fourth month of the 2-year commitment period. Assume further that the borrower draws down another $2,000,000 loan due in 5 years in the sixth month of the commitment period. The remainder of the facility expires unused. The commitment fee would be recognized as follows:

a. At inception of the facility. Qualifying costs to establish the credit facility would be deferred, and no fee income would be recognized because the entire fee is deferred until a drawdown occurs.

b. Months 1-3. No net fee income would be recognized because no drawdowns have occurred.

c. Month 4. A pro rata portion of the net commitment fee equal to the ratio of the drawdown to the total facility would be recognized over the life of the drawdown as an adjustment of yield. In this example: Current drawdown/Total facility x Net commitment fee = Amount to be recognized over the life of the drawdown as a yield adjustment. For example: $1,000,000/$10,000,000 x $100,000 = $10,000

d. Month 6. Similar to the month 4 illustration, a pro rata portion of the deferred net fee equal to the ratio of the current drawdown to the total facility would be recognized over the life of the drawdown as an adjustment of yield. In this example: $2,000,000/$10,000,000 x $100,000 = $20,000

e. Months 7-23. No additional net fee income other than amortization of net commitment fees recognized as yield adjustments would be recognized because no further drawdowns have occurred; thus, the remaining $70,000 net commitment fee would continue to be deferred.

f. Month 24. The remaining deferred net commitment fee of $70,000 would be recognized in income upon expiration of the facility because additional drawdowns are not possible.

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     310-20-60 Relationships
310-20-60 Relationships

**General Note:** The Relationships Section contains links to guidance that may be helpful to, but not required by, a user of the Subtopic. This Section may not be all-inclusive. The relationship items are organized according to the Topic structure in the Codification.

**General**

> **Investments—Debt and Equity Securities**

60-1 For guidance on the determination of whether an other-than-temporary impairment of beneficial interests exists and on interest income recognition on beneficial interests, see Section 320-10-15.

> **Investments—Other**

60-2 For guidance on the determination of whether an other-than-temporary impairment of beneficial interests exists and on interest income recognition on beneficial interests, see Section 325-40-15.

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310-20-75 XBRL Elements

310-20-75 XBRL Elements
310-20-75 XBRL Elements

**General Note:** This section contains a list of XBRL elements that reference paragraphs in this Subtopic. For additional details regarding changes to the development version of the US GAAP Financial Reporting Taxonomy, refer to the FASB taxonomy review and comment system on the FASB web site.

**XBRL Links to Codification**

**Adjustable Rate Loans [Member] (Revision Date: 2012-10-26)**

**Element Name:** AdjustableRateLoansMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

**Amortization of Deferred Loan Origination Fees, Net**

**Element Name:** AmortizationOfDeferredLoanOriginationFeesNet

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 25 Recognition > General, 25-2
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 30 Initial Measurement > General, 30-2
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 35 Subsequent Measurement > General, 35-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 230 Statement of Cash Flows > 10 Overall > 45 Other Presentation > General, 45-28 (a)

This XBRL element references the following glossary term(s):

- Master Glossary > Direct Loan Origination Costs

**Banker’s Acceptance Disclosures [Table Text Block]**

**Element Name:** BankersAcceptance
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-3
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.14)

Credit Card Origination Costs, Policy [Policy Text Block]

Element Name: CreditCardOriginationCostsPolicyTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Deferred Costs, Credit Card Origination Costs, Amortization

Element Name: DeferredCostsCreditCardOriginationCostsAmortization

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 35 Subsequent Measurement > General, 35-7
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

Deferred Costs, Credit Card Origination Costs, Amount

Element Name: DeferredCostsCreditCardOriginationCostsAmount

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

Deferred Finance Costs Disclosures

Element Name: DeferredFinanceCostsDisclosures

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 210 Balance Sheet > 10 Overall > S99 SEC Materials > General, S99-1 (SX 210.5-02.17)
- 835 Interest > 30 Imputation of Interest > 45 Other Presentation > General, 45-3

This XBRL element references the following glossary term(s):

- Master Glossary > Direct Loan Origination Costs

Fee Income on Acceptances Executed
Element Name: FeeIncomeOnAcceptancesExecuted
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-3

Finance, Loan and Lease Receivables, Held-for-investment, Policy [Policy Text Block]

Element Name: FinanceLoanAndLeaseReceivablesHeldForInvestmentPolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b)

Finance, Loan and Lease Receivables, Held-for-sale, Policy [Policy Text Block]

Element Name: FinanceLoanAndLeaseReceivablesHeldForSalePolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

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- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

Finance, Loans and Leases Receivable, Policy [Policy Text Block]

Element Name: FinanceLoansAndLeasesReceivablePolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (b, d)
**Loan Lending Commitment Arrangement Fees [Member]**

*Element Name: LoanLendingCommitmentArrangementFeesMember*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-2

**Loans and Leases Receivable, Deferred Income**

*Element Name: LoansAndLeasesReceivableDeferredIncome*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-4
- 840 Leases > 30 Capital Leases > 50 Disclosure > Lessors, 50-4 (a) (4)
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7)

**Loans and Leases Receivable, Fees Earned but Excluded from Yield**

*Element Name: LoansAndLeasesReceivableFeesEarnedButExcludedFromYield*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-3

This XBRL element references the following paragraph(s) in other Subtopic(s):


**Loans and Leases Receivable, Origination Fees, Discounts or Premiums, and Direct Costs to Acquire Loans Policy [Policy Text Block] (Revision Date: 2013-11-22)**

*Element Name: LoansAndLeasesReceivableOriginationFeesDiscountsOrPremiumsAndDirectCostsToAcquireLoansPolicy*

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2 (d)

**Loans and Leases Receivable, Prepayment Estimate Assumptions, Policy [Policy Text Block]**
Element Name: LoansAndLeasesReceivablePrepaymentEstimateAssumptionsPolicy
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Loans and Leases Receivable, Valuation, Policy [Policy Text Block]

Element Name: LoansAndLeasesReceivableValuationPolicy
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-2

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 948 Financial Services—Mortgage Banking > 310 Receivables > 50 Disclosure > General, 50-1

Receivables, Policy [Policy Text Block] (Revision Date: 2013-11-24)

Element Name: ReceivablesPolicyTextBlock
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):
- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-1 (a)

Related Party [Domain]

Element Name: RelatedPartyDomain
This XBRL element references the following glossary term(s):
- Master Glossary > Affiliate
- Master Glossary > Control
- Master Glossary > Immediate Family
- Master Glossary > Management
- Master Glossary > Principal Owners
- Master Glossary > Related Parties

Trade and Other Accounts Receivable, Policy [Policy Text Block]

Element Name: TradeAndOtherAccountsReceivablePolicy
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15 (d)

Trade and Other Accounts Receivable, Unbilled Receivables, Policy [Policy Text Block]

Element Name: TradeAndOtherAccountsReceivableUnbilledReceivablesPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-2
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-6
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-9

Unamortized Discounts on Acceptances Executed

Element Name: UnamortizedDiscountsOnAcceptancesExecuted

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.14)

Unamortized Discounts on Acceptances Resold (Revision Date: 2013-11-24)

Element Name: UnamortizedDiscountsOnAcceptancesResold

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-3

Unamortized Loan Commitment and Origination Fees and Unamortized Discounts or Premiums

Element Name: UnamortizedLoanCommitmentAndOriginationFeesAndUnamortizedDiscountsOrPremiums

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-1
Unamortized Loan Commitment and Origination Fees and Unamortized Discounts or Premiums, Commercial

Element Name:
UnamortizedLoanCommitmentAndOriginationFeesAndUnamortizedDiscountsOrPremiumsCommercial

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-1

Unamortized Loan Commitment and Origination Fees and Unamortized Discounts or Premiums, Consumer

Element Name:
UnamortizedLoanCommitmentAndOriginationFeesAndUnamortizedDiscountsOrPremiumsConsumer

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-1

Unamortized Loan Commitment and Origination Fees and Unamortized Discounts or Premiums, Foreign

Element Name:
UnamortizedLoanCommitmentAndOriginationFeesAndUnamortizedDiscountsOrPremiumsForeign

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-1

Unamortized Loan Commitment and Origination Fees and Unamortized Discounts or Premiums, Other

Element Name:
UnamortizedLoanCommitmentAndOriginationFeesAndUnamortizedDiscountsOrPremiumsOther

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 20 Nonrefundable Fees and Other Costs > 45 Other Presentation > General, 45-1

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310-30-00 Status

**General Note:** The Status Section identifies changes to this Subtopic resulting from Accounting Standards Updates. The Section provides references to the affected Codification content and links to the related Accounting Standards Updates. Nonsubstantive changes for items such as editorial, link and similar corrections are included separately in Maintenance Updates.

### General

The following table identifies the changes made to this Subtopic.

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310-30-05 Overview and Background

**General Note:** The Overview and Background Section provides overview and background material for the guidance contained in the Subtopic. It does not provide the historical background or due process. It may contain certain material that users generally consider useful to understand the typical situations addressed by the standards. The Section does not summarize the accounting and reporting requirements.

**General**

05-1 This Subtopic provides recognition, measurement, and disclosure guidance regarding loans acquired with evidence of deterioration of credit quality since origination acquired by completion of a transfer for which it is probable, at acquisition, that the investor will be unable to collect all contractually required payments receivable.

05-2 A loan or group of loans is always transferred at a price less than its contractually required payments receivable. The difference between the price and the contractually required payments receivable is attributable to the time value of money and may also be attributable to any of the following:

a. Changes in interest rates between the loan's origination and transfer dates

b. Changes in credit quality of the borrower between the loan's origination and transfer dates

c. Other factors

d. Some combination of all three reasons.

05-3 Deterioration may be evidenced by such sources as Fair Isaac Company (FICO) scores (an automated rating process for credit reports), downgrading, decline in value of collateral, or past-due status.
310-30-15 Scope and Scope Exceptions

General Note: The Scope and Scope Exceptions Section outlines the items (for example, the entities, transactions, instruments, or events) to which the guidance in the Subtopic does or does not apply. In some cases, the Section may contain definitional or other text to frame the scope.

General Note for Financial Instruments: Some of the items subject to the guidance in this Subtopic are financial instruments. For guidance on matters related broadly to all financial instruments, (including the fair value option, accounting for registration payment arrangements, and broad financial instrument disclosure requirements), see Topic 825. See Section 825-10-15 for guidance on the scope of the Financial Instruments Topic.

General

> Entities

15-1 The guidance in this Subtopic applies to all nongovernmental entities, including not-for-profit entities (NFPs), that acquire loans (investors).

> Transactions

15-2 The guidance in this Subtopic applies to all loans with evidence of deterioration of credit quality since origination acquired by completion of a transfer for which it is probable, at acquisition, that the investor will be unable to collect all contractually required payments receivable, except for any of the following:

- Loans that are measured at fair value if all changes in fair value are included in earnings or, for an NFP, loans that are measured at fair value if all changes in fair value are included in the statement of activities and included in the performance indicator if a performance indicator is presented. Examples include those loans classified as trading securities under Topic 320 and Subtopic 948-310.
- Mortgage loans classified as held for sale under paragraph 948-310-35-1.
- Leases as defined in Topic 840. Only contracts that are classified by the purchaser as leases under that Topic meet this exclusion. The distinction between purchasing a lease and purchasing a stream of cash flows must be drawn to determine applicability of this Section.
- Loans acquired in a business combination accounted for at historical cost, including business combinations of two or more NFPs, the acquisition of a for-profit business entity by an NFP, and combinations of two or more mutual entities.
- Loans held by liquidating banks (financial reporting by liquidating banks is discussed in Topic 942).
- Revolving credit agreements, such as credit cards and home equity loans, if at the acquisition date the borrower has revolving privileges.
- Loans that are a transferor's interests (see Subtopic 325-40).

15-3 The guidance in this Subtopic applies to all loans that are acquired by completion of a transfer and includes an individual loan, a pool of loans, a group of loans, and loans acquired in a purchase business combination.

15-4 The guidance in this Subtopic does not apply to the following transactions and activities:

- Loans that are derivative instruments subject to the requirements of Topic 815. If a loan would otherwise be in the scope of this paragraph of this Section and has within it an embedded derivative that is subject to that Topic, the host instrument (as described in that Topic) remains within the scope of this paragraph of this Section if it satisfies the conditions in this paragraph.
- Loans for which it is possible, but not probable, that the investor will be unable to collect all amounts due according to the contractual terms of the loan.
c. Situations in which credit is still being offered, and the entire relationship is excluded if, at the acquisition date, the borrower has revolving privileges. This scope exclusion is appropriate because lenders generally will not continue to make credit available to borrowers from whom it is probable that the lender will not collect all contractually required payments receivable.

15-5 See Topic 325 regarding interests that continue to be held by a transferor in securitization transactions that are accounted for as sales under Topic 860 and purchased beneficial interests in securitized financial assets that are not within the scope of Topic 320.

> Other Considerations

15-6 For purposes of applying the recognition, measurement, and disclosure provisions of this Subtopic for loans that are not accounted for as debt securities, investors may aggregate loans acquired in the same fiscal quarter that have common risk characteristics and thereby use a composite interest rate and expectation of cash flows expected to be collected for the pool. It is not intended for this aggregation to be analogized for purposes other than this Subtopic. To be eligible for aggregation, each loan first should be determined individually to meet the scope criteria of paragraph 310-30-15-2. After determining that certain acquired loans are within the scope as defined in that paragraph, the investor may evaluate whether such loans have common risk characteristics, thus permitting the aggregation of such loans into one or more pools. The aggregation shall be based on common risk characteristics that include similar credit risk or risk ratings, and one or more predominant risk characteristics. A portion of the total cost of acquired assets shall be assigned to each unit of accounting acquired on the basis of its relative fair value at the date of acquisition. The excess of the contractually required payments receivable over the investor’s initial investment (whether accretable yield or nonaccretable difference) for a specific loan or a pool of loans with one set of common risk characteristics shall not be considered available to offset changes in cash flows expected to be collected from a different loan or an assembled pool of loans with another set of common risk characteristics.

15-7 For an acquisition of a pool of loans, each loan first shall be determined individually to meet the scope criteria of paragraph 310-30-15-2 of this Section. In other words, the pool may not be evaluated as a pool to determine the applicability of the scope criteria of that paragraph.

15-8 Investors shall consider the significance of delays and shortfalls for a loan so the guidance is not applied in evaluating payment collectibility when such delays and shortfalls are insignificant with regard to the contractually required payments.

15-9 Certain loans that do not meet the definition of a debt security may be accounted for as trading securities. Paragraph 860-20-35-2, states that financial assets, except for instruments that are within the scope of Subtopic 815-10, that can contractually be prepaid or otherwise settled in such a way that the holder would not recover substantially all of its recorded investment shall be subsequently measured like investments in debt securities classified as available-for-sale or trading under Topic 320.

15-10 Paragraphs 948-310-25-1 through 25-2 and 948-310-30-1, requires that a mortgage banking enterprise must classify as trading any retained mortgage-backed securities that it commits to sell before or during the securitization process.
**310-30-20 Glossary**

**General Note:** The Master Glossary contains all terms identified as glossary terms throughout the Codification. Clicking on any term in the Master Glossary will display where the term is used. The Master Glossary may contain identical terms with different definitions, some of which may not be appropriate for a particular Subtopic. For any particular Subtopic, users should only use the glossary terms included in the particular Subtopic Glossary Section (Section 20).

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**Accretable Yield**

The excess of a loan's cash flows expected to be collected over the investor's initial investment in the loan.

**Cash Flows Expected at Acquisition**

The investor's estimate, at acquisition, of the amount and timing of undiscounted principal, interest, and other cash flows expected to be collected. This would be the investor's best estimate of cash flows, including the effect of prepayments if considered, that is used in determining the acquisition price, and, in a business combination, the investor's estimate of fair value for purposes of acquisition price assignment in accordance with Subtopic 805-20. One acceptable method of making this estimate is described in paragraphs 820-10-55-3F through 55-3G and 820-10-55-4 through 55-20, which provide guidance on present value techniques.

**Common Risk Characteristics**

Loans with similar credit risk (for example, evidenced by similar Fair Isaac Company [FICO] scores, an automated rating process for credit reports) or risk ratings, and one or more predominant risk characteristics, such as financial asset type, collateral type, size, interest rate, date of origination, term, and geographic location.

**Completion of a Transfer**

A completion of a transfer occurs for a transaction with any of the following characteristics:

a. It satisfies the conditions in paragraph 860-10-40-5 to be accounted for as a sale.

b. It is in a business combination.

c. It is to a newly created subsidiary if the transferee has written the loan down to its fair value with the intent of transferring the stock of the subsidiary as a dividend to the shareholders of the parent entity.

d. It is a contribution receivable or a transfer that satisfies a prior promise to give.

**Contractually Required Payments Receivable**

The total undiscounted amount of all uncollected contractual principal and contractual interest payments both past due and scheduled for the future, adjusted for the timing of prepayments, if considered, less any reduction by the investor. For an acquired asset-backed security with required contractual payments of principal and interest, the contractually required payments receivable is represented by the contractual terms of the security. However, when contractual payments of principal and interest are not specified by the security, it is necessary to consider the contractual terms of the underlying loans or assets.

**Debt Security**

Any security representing a creditor relationship with an entity. The term debt security also includes all of the following:

a. Preferred stock that by its terms either must be redeemed by the issuing entity or is redeemable at the option of the investor.

b. A collateralized mortgage obligation (or other instrument) that is issued in equity form but is required to be accounted for as a nonequity instrument regardless of how that instrument is classified (that is, whether equity or debt) in the issuer's statement of financial position.
c. U.S. Treasury securities
d. U.S. government agency securities
e. Municipal securities
f. Corporate bonds
g. Convertible debt
h. Commercial paper
i. All securitized debt instruments, such as collateralized mortgage obligations and real estate mortgage investment conduits
j. Interest-only and principal-only strips.

The term debt security excludes all of the following:

a. Option contracts
b. Financial futures contracts
c. Forward contracts
d. Lease contracts
e. Receivables that do not meet the definition of security and, so, are not debt securities (unless they have been securitized, in which case they would meet the definition of a security), for example:
   1. Trade accounts receivable arising from sales on credit by industrial or commercial entities
   2. Loans receivable arising from consumer, commercial, and real estate lending activities of financial institutions.

Effective Interest Rate

The rate of return implicit in the loan, that is, the contractual interest rate adjusted for any net deferred loan fees or costs, premium, or discount existing at the origination or acquisition of the loan.

Fair Value

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Initial Investment

The amount paid to the seller plus any fees paid or less any fees received.

Loan

A contractual right to receive money on demand or on fixed or determinable dates that is recognized as an asset in the creditor's statement of financial position. Examples include but are not limited to accounts receivable (with terms exceeding one year) and notes receivable.

Nonaccretable Difference

A loan's contractually required payments receivable in excess of the amount of its cash flows expected to be collected.

Probable

The future event or events are likely to occur.

Revolving Privileges

A feature in a loan that provides the borrower with the option to make multiple borrowings up to a specified maximum amount, to repay portions of previous borrowings, and to then reborrow under the same loan.
310-30-25 Recognition

General Note: The Recognition Section provides guidance on the required criteria, timing, and location (within the financial statements) for recording a particular item in the financial statements. Disclosure is not recognition.

General Note for Fair Value Option: Some of the items subject to the guidance in this Subtopic may qualify for application of the Fair Value Option Subsections of Subtopic 825-10. Those Subsections (see paragraph 825-10-05-5) address circumstances in which entities may choose, at specified election dates, to measure eligible items at fair value (the fair value option). See Section 825-10-15 for guidance on the scope of the Fair Value Option Subsections of the Financial Instruments Topic.

General

> Loans Acquired Primarily for the Rewards of Collateral Ownership

25-1 Loans meeting the scope criteria of paragraph 310-30-15-2 shall be accounted for as loans until the creditor is in possession of the collateral, with or without having to go through formal foreclosure procedures. However, as described in paragraph 310-30-35-3, if the loan is acquired primarily for the rewards of ownership of the underlying collateral, accrual of income is inappropriate. Such rewards of ownership would include use of the collateral in operations of the entity or significantly improving the collateral for resale.

25-2 [Paragraph Not Used]
310-30-30 Initial Measurement

General Note: The Initial Measurement Section provides guidance on the criteria and amounts used to measure a particular item at the date of initial recognition.

General

> Loss Accruals or Valuation Allowances

30-1 Valuation allowances shall reflect only those losses incurred by the investor after acquisition—that is, the present value of all cash flows expected at acquisition that ultimately are not to be received. For loans that are acquired by completion of a transfer, it is not appropriate, at acquisition, to establish a loss allowance. For loans acquired in a business combination, the initial recognition of those loans shall be the present value of amounts to be received. The loss accrual or valuation allowance recorded by the investor should reflect only losses incurred by the investor, rather than losses incurred by the transferor or the investor's estimate at acquisition of credit losses over the life of the loan. At the acquisition date, the amount of cash flows expected to be collected shall be based on the index rate in effect at acquisition.

> Acquisition of a Loan at a Discount Related to Credit Quality

30-2 A loan may be acquired at a discount because of a change in credit quality or rate or both. When a loan is acquired at a discount that relates, at least in part, to the loan's credit quality, the effective interest rate is the discount rate that equates the present value of the investor's estimate of the loan's future cash flows with the purchase price of the loan.
310-30-35 Subsequent Measurement

General Note: The Subsequent Measurement Section provides guidance on an entity’s subsequent measurement and subsequent recognition of an item. Situations that may result in subsequent changes to carrying amount include impairment, fair value adjustments, depreciation and amortization, and so forth.

General

35-1 This Section addresses the recognition and measurement of income on loans subsequent to acquisition under varying circumstances, specifically:

a. Interest income
b. Income measurement
c. Expected prepayments
d. Restructured or refinanced loans
e. Variable rate loans
f. Pool of multiple loans.

> Interest Income

35-2 Upon completion of a transfer of a loan, this Subtopic requires that the investor (transferee) shall recognize the excess of all cash flows expected at acquisition over the investor's initial investment in the loan as interest income on a level-yield basis over the life of the loan (accratable yield).

35-3 Recognition of income under this Subtopic is dependent on having a reasonable expectation about the timing and amount of cash flows expected to be collected. Subsequent to acquisition, this Subtopic does not prohibit placing loans on nonaccrual status, including use of the cost recovery method or cash basis method of income recognition, when appropriate. For example, if the timing of either a sale of the loan into the secondary market or a sale of loan collateral in essentially the same condition as received upon foreclosure is indeterminate, the investor likely does not have the information necessary to reasonably estimate cash flows expected to be collected to compute its yield and shall cease recognizing income on the loan. However, the ability to place a loan on nonaccrual shall not be used to circumvent the loss recognition guidance contained in paragraphs 310-30-35-8(a) and 310-30-35-10(a). Alternatively, if the timing and amount of cash flows expected to be collected from those sales are reasonably estimable, the investor shall use those cash flows to apply the interest method under this Subtopic. Consistent with paragraph 310-20-35-18, interest income shall not be recognized to the extent that the net investment in the loan would increase to an amount greater than the payoff amount. If the loan is acquired primarily for the rewards of ownership of the underlying collateral, accrual of income is inappropriate. Such rewards of ownership would include use of the collateral in operations of the entity or improving the collateral for resale.

35-4 [Paragraph Not Used]

35-5 This Subtopic does not address when an investor should record a direct write-down of an impaired loan.

> Income Measurement

35-6 An increase in accretable yield establishes a higher effective interest rate and a different threshold for any subsequent impairment determination.

35-7 There are two types of loans to consider for income measurement:

a. Loan accounted for as a debt security
b. Loan not accounted for as a debt security.

>> Loan Accounted for as a Debt Security

35-8 An investor shall continue to estimate cash flows expected to be collected over the life of the loan. If, upon subsequent evaluation:

a. The fair value of the debt security has declined below its amortized cost basis, an entity shall determine whether the decline is other than temporary. An entity shall apply the impairment of securities guidance in Section 320-10-35. For example, if, based on current information and events, there is a decrease in cash flows expected to be collected (that is, the investor is unable to collect all cash flows expected at acquisition plus any additional cash flows expected to be collected arising from changes in estimate after acquisition (in accordance with (b)), an other-than-temporary impairment shall be considered to have occurred. The investor shall consider both the timing and amount of cash flows expected to be collected in making a determination about whether there has been a decrease in cash flows expected to be collected.

b. Based on current information and events, there is a significant increase in cash flows previously expected to be collected or if actual cash flows are significantly greater than cash flows previously expected, the investor shall recalculate the amount of accretable yield for the loan as the excess of the revised cash flows expected to be collected over the sum of the initial investment less cash collected less other-than-temporary impairments plus amount of yield accreted to date.

35-9 The investor shall adjust the amount of accretable yield by reclassification from nonaccretable difference. The adjustment shall be accounted for as a change in estimate in conformity with Topic 250, with the amount of periodic accrual adjusted over the remaining life of the loan.

>> Loan Not Accounted for as a Debt Security

35-10 An investor shall continue to estimate cash flows expected to be collected over the life of the loan. If, upon subsequent evaluation:

a. Based on current information and events, it is probable that the investor is unable to collect all cash flows expected at acquisition plus additional cash flows expected to be collected arising from changes in estimate after acquisition (in accordance with (b)[2]), this condition is met. The loan shall be considered impaired for purposes of applying the measurement and other provisions of Topic 450 or, if applicable, this Topic. For purposes of applying paragraphs 310-10-35-10 through 35-11 to a loan within the scope of this Subtopic, the phrase all amounts due according to the contractual terms shall be read all cash flows originally expected to be collected by the investor plus any additional cash flows expected to be collected arising from changes in estimate after acquisition.

b. Based on current information and events, it is probable that there is a significant increase in cash flows previously expected to be collected or if actual cash flows are significantly greater than cash flows previously expected, the investor shall:

1. Reduce any remaining valuation allowance (or allowance for loan losses) for the loan established after its acquisition for the increase in the present value of cash flows expected to be collected

2. Recalculate the amount of accretable yield for the loan as the excess of the revised cash flows expected to be collected over the sum of the initial investment less cash collected less write-downs plus amount of yield accreted to date.

35-11 The investor shall adjust the amount of accretable yield by reclassification from nonaccretable difference. The adjustment shall be accounted for as a change in estimate in conformity with Topic 250 with the amount of periodic accrual adjusted over the remaining life of the loan. The resulting yield shall be used as the effective interest rate in any subsequent application of (a) in the preceding paragraph.

> Expected Prepayments

35-12 Expected prepayments shall be treated consistently for cash flows expected to be collected and projections of contractual cash flows such that the nonaccretable difference is not affected. Similarly, the difference between actual prepayments and expected prepayments shall not affect the nonaccretable difference.

> Restructured or Refinanced Loans

35-13 The guidance in this paragraph applies only to loans accounted for as individual loans. See paragraphs 310-30-40-1 through 40-2 for guidance on derecognition of pooled loans. If an investor subsequently refinance or restructures the loan, other than through a troubled debt restructuring, the refinanced or restructured loan shall not be accounted for as a new loan, and this Subtopic, including paragraphs 310-30-35-8 through 35-11, continues to apply. See Subtopic 310-40 for guidance on troubled debt restructurings.

> Variable Rate Loans

35-14 If a loan's contractual interest rate varies based on subsequent changes in an independent factor, such as an index or rate, for example, the prime rate, the London Interbank Offered Rate (LIBOR), or the U.S. Treasury bill weekly average, that loan's contractually required payments receivable shall be calculated based on the factor as it changes over the life of the loan. Projections of future changes in the factor shall not be made for purposes of determining the effective interest rate or estimating cash flows expected to be collected. Increases in cash flows expected to be collected shall be accounted for according to paragraph 310-30-35-8(b) or 310-30-35-10(b). Decreases in cash flows expected to be collected resulting directly from a change in the contractual interest rate shall be recognized prospectively as a change in estimate in conformity with Topic 250 by reducing, for purposes of applying paragraphs 310-30-35-8(a) and 310-30-35-10(a), all cash flows expected to be collected at acquisition and the accretable yield. The investor shall decrease the amount of accretable yield and the cash flows expected to be collected. Thus, for decreases in cash flows expected to be collected resulting directly from a change in the contractual interest...
rate, the effect will be to reduce prospectively the yield recognized rather than recognize a loss. The guidance in paragraphs 310-30-35-8
through 35-11 for increases and decreases shall be followed without having to meet the significance threshold contained in those paragraphs.

> **Pool of Multiple Loans**

35-15  If a loan is removed from a pool of loans, the difference between the loan's carrying amount and the fair value of the collateral or other
assets received shall not affect the percentage yield calculation used to recognize accretable yield on the pool of loans.
310-30-40 Derecognition

General Note: The Derecognition Section provides guidance on determining whether and when an entity should remove an item from the financial statements. For example, the entity would derecognize an asset because it no longer has rights to the asset or it would derecognize a liability because it no longer has any obligation.

General

Pool of Multiple Loans

40-1 Once a pool of loans is assembled, the integrity of the pool shall be maintained. A loan shall be removed from a pool of loans only if either of the following conditions is met:

a. The investor sells, forecloses, or otherwise receives assets in satisfaction of the loan.

b. The loan is written off.

A refinancing or restructuring of a loan shall not result in the removal of a loan from a pool.

40-2 A loan removed from a pool in accordance with the preceding paragraph shall be removed at its carrying amount. See paragraph 310-30-35-15 for further guidance on removing a loan from a pool.
310-30-45 Other Presentation Matters

**General Note:** The Other Presentation Matters Section provides guidance on other presentation matters not addressed in the Recognition, Initial Measurement, Subsequent Measurement, and Derecognition Sections. Other presentation matters may include items such as current or long-term balance sheet classification, cash flow presentation, earnings per share matters, and so forth. The FASB Codification also contains Presentation Topics, which provide guidance for general presentation and display items. See those Topics for general guidance.

**General**

> **Accretable Yield**

45-1 The amount of accretable yield shall not be displayed in the balance sheet. The loan’s contractually required payments receivable in excess of the amount of its cash flows expected at acquisition (nonaccretable difference) shall not be displayed in the balance sheet or recognized as an adjustment of yield, a loss accrual, or a valuation allowance for credit risk.
310-30-50 Disclosure

General Note: The Disclosure Section provides guidance regarding the disclosure in the notes to financial statements. In some cases, disclosure may relate to disclosure on the face of the financial statements.

General

> Footnote Disclosures for Loans

50-1 The notes to financial statements shall describe how prepayments are considered in the determination of contractual cash flows and cash flows expected to be collected.

50-2 In addition to disclosures required by other generally accepted accounting principles (GAAP), for each balance sheet presented, an investor shall disclose the following information about loans within the scope of this Subtopic:

a. Separately for both those loans that are accounted for as debt securities and those loans that are not accounted for as debt securities, all of the following:

1. The outstanding balance (see paragraph 310-30-50-3) and related carrying amount at the beginning and end of the period

2. The amount of accretable yield at the beginning and end of the period, reconciled for additions, accretion, disposals of loans, and reclassifications to or from nonaccretable difference during the period

3. For loans acquired during the period, the contractually required payments receivable, cash flows expected to be collected, and fair value at the acquisition date

4. For those loans within the scope of this Subtopic for which the income recognition model in this Subtopic is not applied in accordance with paragraph 310-30-35-3, the carrying amount at the acquisition date for loans acquired during the period and the carrying amount of all loans at the end of the period.

b. Further, for those loans that are not accounted for as debt securities, both of the following:

1. The amount of both of the following:

   i. Any expense recognized pursuant to paragraph 310-30-35-10(a)

   ii. Any reductions of the allowance recognized pursuant to paragraph 310-30-35-10(b)(1) for each period for which an income statement is presented.

2. The amount of the allowance for uncollectible accounts at the beginning and end of the period.

>> Outstanding Balance

50-3 For loans that have a net carrying amount, the outstanding balance is the undiscounted sum of all amounts, including amounts deemed principal, interest, fees, penalties, and other under the loan, owed to the investor at the reporting date, whether or not currently due and whether or not any such amounts have been written or charged off by the investor. Amounts forgiven in a debt restructuring but contingently payable to the investor shall be included in the forgiven contract balance, but amounts irrevocably forgiven in a debt restructuring shall not be included. Amounts payable to the investor in cash, in kind, and by any other means shall be included. Amounts legally discharged shall not be included. The outstanding balance does not include amounts that would be accrued under the contract as interest, fees, penalties, and other after the reporting date.
General Note: The Implementation Guidance and Illustrations Section contains implementation guidance and illustrations that are an integral part of the Subtopic. The implementation guidance and illustrations do not address all possible variations. Users must consider carefully the actual facts and circumstances in relation to the requirements of the Subtopic.

General

> Illustrations

>> Example 1: Acquisition of a Pool of Loans

55-1 This Example illustrates how the guidance in this Subtopic may be applied under varying cash flow assumptions in generalized situations.

55-2 The formats presented and the wording of this Example are only illustrative and are not necessarily the only possible presentations. It was developed considering the acquisition of a pool of loans in which all loans individually met the scope criteria of paragraph 310-30-15-2. For ease of description, references to this acquisition of a pool of loans are depicted as a single loan or debt security. In addition, for simplification, additional interest that would accrue under the contractual terms of the loan or debt security for the debtor's failure to make timely payments of the contractual principal and interest is not illustrated. The Example presents the write-off of the uncollectible investment in the loans receivable at the end of the loan's term.

55-3 The following Cases display the effects of various scenarios of cash flow activity over a five-year period:

a. Base case (Case A)

b. Actual case flows equal cash flows expected for years 20X1-X5 (Case B)

c. Increase in cash flows expected for year 20X3 (Case C)

d. Decrease in cash flows expected for years 20X3-X5 (Case D)
   1. Accounted for as a debt security (Case D1)
   2. Accounted for as a loan (Case D2).

e. Cash flows expected for years 20X4-X5 are greater than the revised cash flows expected for those years; cumulative expected cash flows are less than cash flows originally expected at acquisition (Case E)
   1. Accounted for as a debt security (Case E1)
   2. Accounted for as a loan (Case E2).

f. Cash flows expected for years 20X4-X5 are greater than the revised cash flows expected for those years; cumulative expected cash flows are greater than cash flows originally expected at acquisition (Case F)
   1. Accounted for as a debt security (Case F1)
   2. Accounted for as a loan (Case F2).

g. Illustrative note disclosures (Case G).

>>> Case A: Base Case

55-4 This Case illustrates the guidance in Topic 310 for a base case with the following assumptions.
55-5 Entity A acquires a loan with a principal balance of $5,046,686 and accrued delinquent interest of $500,000 at a discount due to concerns about the debtor’s credit quality that have occurred since the loan’s origination. Entity A pays $4,000,000 for the loan on December 31, 20X0. No fees were paid or received as part of the acquisition. The contractual interest rate is 12 percent per year. In addition to the delinquent interest, annual payments of $1,400,000 are due in each of the five remaining years to maturity. Entity A determines it is probable that it will be unable to collect all amounts due according to the loan’s contractual terms. Rather, Entity A expects to collect only $1,165,134 per year for five years. In Entity A’s balance sheet, the loan will initially be displayed at its net carrying amount (for example, $4,000,000 at December 31, 20X0) as illustrated in the following table.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Beginning Carrying Amount</th>
<th>Cash Flows Expected to Be Collected</th>
<th>Interest Income</th>
<th>Reduction of Carrying Amount</th>
<th>Ending Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20X1</td>
<td>$4,000,000</td>
<td>$1,165,134</td>
<td>$500,000</td>
<td>$605,134</td>
<td>$3,394,966</td>
</tr>
<tr>
<td>20X2</td>
<td>3,394,966</td>
<td>1,165,134</td>
<td>475,281</td>
<td>689,853</td>
<td>2,706,013</td>
</tr>
<tr>
<td>20X3</td>
<td>2,706,013</td>
<td>1,165,134</td>
<td>378,792</td>
<td>788,432</td>
<td>1,918,581</td>
</tr>
<tr>
<td>20X4</td>
<td>1,918,581</td>
<td>1,165,134</td>
<td>269,601</td>
<td>959,333</td>
<td>1,022,048</td>
</tr>
<tr>
<td>20X5</td>
<td>1,022,048</td>
<td>1,165,134</td>
<td>143,086</td>
<td>1,102,048</td>
<td>-</td>
</tr>
</tbody>
</table>

Initial Calculation of Nonaccratable Difference
Contractually required payments receivable (includes delinquent interest) $7,500,000
Less: Cash flows expected to be collected (5,825,670)
Nonaccratable difference $1,674,330

Initial Calculation of Acrretible Yield
Cash flows expected to be collected $5,825,670
Less: Initial investment (4,000,000)
Acrretible yield $1,825,670

(a) The effective interest rate in this example is the discount rate that, at acquisition, equates all cash flows expected to be collected with the purchase price of the loan. This Section does not address whether the investor should or should not accrue income. However, for purposes of this Example, it is assumed that the investor can reasonably estimate cash flows expected to be collected. The yield recognized is 14.99 percent for years 20X1 through 20X5.

55-6 As noted in paragraph 310-30-55-2, the summary of activity presented in this Example omits additional interest that would accrue on unpaid amounts under the contractual terms of the loan or debt security. Given the assumptions in the illustrations, any additional accrued interest would increase both the contractually required payments receivable and nonaccratable difference.

>>> Case B: Actual Cash Flows Equal Cash Flows Expected for Years 20X1-X5

55-7 If Entity A receives all the cash flows that it expected to be collected, the following is a summary of the effects of that activity.

<table>
<thead>
<tr>
<th>Loan Receivable</th>
<th>Non Loans Receivable</th>
<th>Bad Debt Expense</th>
<th>Interest Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>20X1 collections</td>
<td>(665,134)</td>
<td>(665,134)</td>
<td>1,165,134</td>
</tr>
<tr>
<td>Balance</td>
<td>3,394,966</td>
<td>3,394,966</td>
<td>2,795,013</td>
</tr>
<tr>
<td>20X2 collections</td>
<td>(689,853)</td>
<td>(689,853)</td>
<td>1,165,134</td>
</tr>
<tr>
<td>Balance</td>
<td>2,706,013</td>
<td>2,706,013</td>
<td>1,165,134</td>
</tr>
<tr>
<td>20X3 collections</td>
<td>(785,432)</td>
<td>(785,432)</td>
<td>1,165,134</td>
</tr>
<tr>
<td>Balance</td>
<td>1,918,581</td>
<td>1,918,581</td>
<td>1,165,134</td>
</tr>
<tr>
<td>20X4 collections</td>
<td>(896,538)</td>
<td>(896,538)</td>
<td>1,165,134</td>
</tr>
<tr>
<td>Balance</td>
<td>1,022,048</td>
<td>1,022,048</td>
<td>1,165,134</td>
</tr>
<tr>
<td>20X5 collections</td>
<td>(1,022,048)</td>
<td>(1,022,048)</td>
<td>1,165,134</td>
</tr>
<tr>
<td>Balance</td>
<td>$ -</td>
<td>$ -</td>
<td>$1,825,670</td>
</tr>
</tbody>
</table>

(a) For illustrative purposes, the removal of the contractual amounts and nonaccratable difference is presented at the end of the period. In this Case, Entity A wrote off the uncollectible portion of the contractually required payments receivable at the maturity of the loan. This Case does not address when a loan should be written off.

>>> Case C: Base Case with Increase in Cash Flows Expected for Year 20X3
Assume that, at December 31, 20X2, Entity A determines it is probable that cash flows expected to be collected will be $250,000 more in 20X3 than previously expected but does not change its expectations of cash flows in years 20X4 and 20X5. Following are the resulting calculations.

If Entity A receives all the cash flows that it expected to be collected (including the increase of $250,000 in 20X3), the following is a summary of the effects of that activity.

(a) The yield recognized is 14.00 percent for years 20X1 and 20X2 and 18.9603 percent for years 20X3 through 20X5.

If Entity A receives all the cash flows that it expected to be collected (including the increase of $250,000 in 20X3), the following is a summary of the effects of that activity.

(a) The $250,000 increase in cash flows expected to be collected results in a reclassification of nonaccrualable difference to accrualable yield.

(b) The increase in the accrualable yield is recognized as interest income on a prospective basis resulting in an increase in yield for years 20X3 through 20X5 from 14.00 percent to 18.9603 percent.

Case D: Base Case with Decrease in Cash Flows Expected for Years 20X3-X5

Assume instead that, at December 31, 20X2, Entity A determines cash flows expected to be collected will be $100,000 less in each of the remaining three years than expected at acquisition and that the effective interest rate is 14 percent. Case D1 addresses the characterization of the change in expectations if the loan is accounted for as a debt security. (Paragraph 310-30-55-10A of Case D1 states, in part, that Entity A does not recognize any additional other-than-temporary impairments in other comprehensive income because the entire impairment relates to a decrease in cash flows expected to be collected.) Case D2 addresses that characterization if the loan is not accounted for as a debt security. Following are the resulting calculations.
Case D1: Accounted for as a Debt Security

Paragraph 310-30-55-10 illustrates the calculations related to Entity A's determination that the loan accounted for as a debt security has incurred an other-than-temporary impairment of $232,163 to be recognized in earnings in accordance with Section 320-10-35. Entity A does not recognize any additional other-than-temporary impairments in other comprehensive income because the entire impairment relates to a decrease in cash flows expected to be collected. That paragraph shows that, using the new carrying amount (amortized cost basis) of $2,472,850 and the remaining cash flows expected to be collected, the effective interest rate would be calculated as 14 percent.

If Entity A receives the cash flows as expected in years 20X1 and 20X2 but at the end of 20X2 determines cash flows will be $100,000 less in each of years 20X3 through 20X5, the following is a summary of the effects of that activity.
Case D2: Accounted for as a Loan

Paragraph 310-30-55-10 illustrates the calculations related to Entity A’s determination that it is probable that cash flows expected to be collected will be $100,000 less in each of the remaining three years than expected at acquisition. That paragraph shows that, using the effective interest rate of 14 percent, the present value of the remaining cash flows expected to be collected is calculated as $2,472,850.

If Entity A receives the cash flows as expected in years 20X1 and 20X2 but at the end of 20X2 determines cash flows will be $100,000 less in each of years 20X3 through 20X5, the following is a summary of the effects of that activity.

(a) The $300,000 decrease in cash flows expected to be collected represents $67,857 of interest income (accrualable yield) foregone that had been expected at acquisition to be earned and $232,163 of carrying amount that will not be recovered.

(b) The acceptable yield recognized as interest income for years 20X3 through 20X5 would be the discount rate that equates the adjusted carrying amount (that is, after recognition of the decrease in cash flows expected to be recovered on the security) to the cash flows expected to be collected. Under the assumptions given, this rate remains at 14 percent in this Example.

>>> Case D2: Accounted for as a Loan

55-11A Paragraph 310-30-55-10 illustrates the calculations related to Entity A’s determination that it is probable that cash flows expected to be collected will be $100,000 less in each of the remaining three years than expected at acquisition. That paragraph shows that, using the effective interest rate of 14 percent, the present value of the remaining cash flows expected to be collected is calculated as $2,472,850.

55-12 If Entity A receives the cash flows as expected in years 20X1 and 20X2 but at the end of 20X2 determines cash flows will be $100,000 less in each of years 20X3 through 20X5, the following is a summary of the effects of that activity.

(a) The $300,000 decrease in cash flows expected to be collected represents $67,857 of interest income (accrualable yield) foregone that had been expected at acquisition to be earned and $232,163 of carrying amount that will not be recovered. The $300,000 decrease in cash flows expected to be collected results in a loss of $232,163 (recorded as an allowance for loan loss) and foregone interest income in future years of $67,857.

(b) For a loan not accounted for as a debt security with an allowance, this amount equals the net loans receivable.
Case E: Cash Flows Expected for Years 20X4-X5 Are Greater than the Revised Cash Flows Expected for Those Years; Cumulative Expected Cash Flows Are Less than Cash Flows Originally Expected at Acquisition

Cases E1 and E2 share all of the following assumptions relating to a change in cash collections and expectations. At December 31, 20X2, Entity A determined it was probable that cash flows expected to be collected will be $100,000 less in each of the remaining three years (20X3–X5) than expected at acquisition. Actual cash flows for 20X3 collected were the revised decrease in expected cash flows to be collected. At January 1, 20X4, Entity A determines it is probable that cash flows will be $50,000 more in each of 20X4 and 20X5.

Case E1: Accounted for as a Debt Security

If the loan is accounted for as a debt security, the entire subsequent increase in cash flows expected to be collected is recorded as a yield adjustment on a prospective basis because the earlier other-than-temporary impairment write-down recognized in earnings may not be reversed. Following is a summary of activity.

<table>
<thead>
<tr>
<th>Year Ended</th>
<th>Beginning Carrying Amount</th>
<th>Cash Flows Expected to be Collected</th>
<th>Interest Income (a)</th>
<th>Reduction of Carrying Amount</th>
<th>Ending Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20X1</td>
<td>$4,000,000</td>
<td>$1,165,134</td>
<td>$569,134</td>
<td>$665,134</td>
<td>$3,304,866</td>
</tr>
<tr>
<td>20X2</td>
<td>$3,394,866</td>
<td>1,165,134</td>
<td>475,261</td>
<td>665,134</td>
<td>2,702,940</td>
</tr>
<tr>
<td>20X3</td>
<td>2,472,966</td>
<td>1,065,134</td>
<td>348,199</td>
<td>718,935</td>
<td>1,753,915</td>
</tr>
<tr>
<td>Totals for 20X1–X3</td>
<td>$3,395,422</td>
<td>$3,395,422</td>
<td>$1,381,480</td>
<td>$2,245,685</td>
<td></td>
</tr>
<tr>
<td>20X4</td>
<td>1,763,915</td>
<td>1,115,134</td>
<td>309,219</td>
<td>665,134</td>
<td>948,000</td>
</tr>
<tr>
<td>20X5</td>
<td>948,000</td>
<td>1,115,134</td>
<td>167,134</td>
<td>484,000</td>
<td>-</td>
</tr>
<tr>
<td>Totals for 20X4–X5</td>
<td>$2,711,915</td>
<td>$2,711,915</td>
<td>$576,353</td>
<td>$1,763,915</td>
<td></td>
</tr>
<tr>
<td>Totals for 20X1–X5</td>
<td>$6,107,337</td>
<td>$6,107,337</td>
<td>$1,857,833</td>
<td>$4,000,000</td>
<td></td>
</tr>
</tbody>
</table>

(a) The yield recognized is 14.00 percent for years 20X1 through 20X3 and 17.602 percent for years 20X4 and 20X5.
(b) The reduction of carrying amount includes a recognition in earnings of an other-than-temporary impairment of $232,163.

If Entity A receives the cash flows as indicated above, the following is a summary of the effects of that activity.

---

Loans Receivable Allowance Net Loans Receivable Bad Debt Expense Cash Income (a)
---
Acquisition 4,000,000 (4,000,000) 4,000,000 4,000,000
20X1 collections 4,000,000 (4,000,000) 4,000,000
Balance 3,394,866 3,394,866
20X2 collections 665,866 (665,866) 665,866
Balance 1,165,134 1,165,134
Impairment (232,163) (232,163) 232,163
Balance 2,796,133 2,472,966 1,065,134 346,199
20X3 collections 719,935 (719,935)
Balance 1,986,078 1,763,615
20X4 collections 819,598 (819,598)
Balance 1,166,482 934,329
20X5 collections (934,329) (934,329)
Balance 232,163 (232,163) 130,805

(a) The accretible yield recognized as interest income for years 20X3 through 20X5 remains at 14.00 percent.
Case E2: Accounted for as a Loan

55-16 Alternatively, if the loan is not accounted for as a debt security, the increase in cash flows expected to be collected is first used to reverse the amount of any related allowance for loan losses before the yield is adjusted. Following are the resulting calculations.

### A: Contractually Required Payments
- **Acquisition**: $7,500,000
- **20X1 collections**: $(1,185,134)
- **20X2 collections**: $(1,185,134)
- **Other-than-temporary impairment**: $(300,000)
- **Balance**: $4,104,998
- **Increase in cash flows expected**: $100,000
- **20X3 collections**: $(1,185,134)
- **20X4 collections**: $(1,185,134)
- **20X5 collections**: $(1,185,134)
- **Disposition**: $(1,187,330)

### B: Cash Collected
- **Acquisition**: $5,825,670
- **20X1 collections**: $(1,185,134)
- **20X2 collections**: $(1,185,134)
- **Other-than-temporary impairment**: $(300,000)
- **Balance**: $2,130,268
- **Increase in cash flows expected**: $(100,000)
- **20X3 collections**: $(304,160)
- **20X4 collections**: $(309,219)
- **20X5 collections**: $(309,219)
- **Balance**: $376,353

### C: Nonaccrualable Difference
- **Acquisition**: $1,674,330
- **20X1 collections**: $(560,000)
- **20X2 collections**: $(476,281)
- **Other-than-temporary impairment**: $(67,652)
- **Balance**: $1,974,330
- **20X3 collections**: $(346,160)
- **20X4 collections**: $(309,219)
- **20X5 collections**: $(309,219)
- **Balance**: $1,753,915

### D: Accruable Yield
- **Acquisition**: $1,674,330
- **20X1 collections**: $(560,000)
- **20X2 collections**: $(476,281)
- **Other-than-temporary impairment**: $(67,652)
- **Balance**: $1,974,330
- **20X3 collections**: $(346,160)
- **20X4 collections**: $(309,219)
- **20X5 collections**: $(309,219)
- **Balance**: $1,753,915

### E: Debt Security
- **Acquisition**: $4,000,000
- **20X1 collections**: $(605,134)
- **20X2 collections**: $(605,134)
- **Other-than-temporary impairment**: $(689,653)
- **Balance**: $3,394,366
- **20X3 collections**: $(689,653)
- **20X4 collections**: $(689,653)
- **20X5 collections**: $(689,653)
- **Balance**: $3,394,366

### Interest Income
- **Acquisition**: $560,000
- **20X1 collections**: $560,000
- **20X2 collections**: $560,000
- **Other-than-temporary impairment**: $560,000
- **Balance**: $560,000

### Notes:
- The $100,000 increase in cash flows expected to be collected results in a reclassification of nonaccrualable difference to accruable yield.
- The increase in the accrualable yield is recognized as interest income on a prospective basis resulting in an increase in yield for years 20X4 and 20X5 from 14.00 percent to 17.63 percent.

---

### Case E2: Accounted for as a Loan

55-16 Alternatively, if the loan is not accounted for as a debt security, the increase in cash flows expected to be collected is first used to reverse the amount of any related allowance for loan losses before the yield is adjusted. Following are the resulting calculations.
## Year Ended December 31

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Beginning Carrying Amount</th>
<th>Cash Flows Expected to Be Collected</th>
<th>Interest Income</th>
<th>Reduction of Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$ 4,000,000</td>
<td>$1,165,134</td>
<td>$500,000</td>
<td>$605,134</td>
</tr>
<tr>
<td>2002</td>
<td>3,394,966</td>
<td>1,165,134</td>
<td>475,286</td>
<td>502,091 (a)</td>
</tr>
<tr>
<td>2003</td>
<td>2,472,850</td>
<td>1,165,134</td>
<td>346,190</td>
<td>718,915</td>
</tr>
<tr>
<td>Totals for years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001–X3</td>
<td>$ 2,472,850</td>
<td>$1,165,134</td>
<td></td>
<td>$2,245,095 (a)</td>
</tr>
<tr>
<td>2004</td>
<td>1,793,915</td>
<td>1,115,134</td>
<td>257,075</td>
<td>775,725 (a)</td>
</tr>
<tr>
<td>2005</td>
<td>976,189</td>
<td>1,115,134</td>
<td>136,045</td>
<td>978,189</td>
</tr>
<tr>
<td>Totals for years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004–X5</td>
<td>$ 2,260,268</td>
<td>$394,050</td>
<td></td>
<td>$2,173,915 (a)</td>
</tr>
<tr>
<td>Totals for years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001–X5</td>
<td>$ 5,625,670</td>
<td>$1,775,500</td>
<td></td>
<td>$4,000,000 (a)</td>
</tr>
</tbody>
</table>

### Reversal of Valuation Allowance

- Recorded amount, January 1, 2004: $1,985,078
- Allowance for loan losses: $232,156
- Carrying amount, January 1, 2004: $1,753,915
- Less: Present value of cash flows expected to be collected: $(1,833,345)
- Reversal of valuation allowance: $(25,333)

### Rollforward of Accrued Yields

- Balance, at acquisition: $1,825,970
- 2001 accrual: $(560,000)
- 2002 accrual: $(475,286)
- 2003 accrual: $(245,190)
- 2002 reclassification to nonaccrue: $(375,325)
- Balance, at December 31, 2003: $375,325

### Recalculation of Accrued Yields

- Remaining cash flows expected to be collected, January 1, 2004: $2,260,268
- Less the sum of:
  - Initial investment: $4,000,000
  - Cash collected to date: $(3,395,402)
  - Write-downs and allowances: $(149,830)
  - Plus: Yield accrued to date: $(1,391,450)
  - Total: $(1,833,345)
- Remaining accrue yield as recalculated: $394,050
- Less: Unadjusted balance: $(375,325)
- Adjustment needed to accrue yield: $17,667

### Proof

- Total increase in cash flows expected to be collected: $100,000
- Present value of total increase (current period reversal of allowance): $(25,333)
- Additional income expected: $17,667

(a) The yield recognized is 14.00 percent for years 2001 through 2003.
(b) The reduction of carrying amount includes an allowance for loan losses of $232,156.
(c) The reduction of carrying amount includes a reversal of valuation allowance of $25,333.

---

55-17 If Entity A receives the cash flows as indicated above, the following is a summary of the effects of that activity:

### A

<table>
<thead>
<tr>
<th>Contractually Required Payments</th>
<th>Cash Expected to Be Collected</th>
<th>Nonaccrue Difference</th>
<th>Accrueable Yield</th>
<th>Loans Receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$7,500,000</td>
<td>$5,825,670</td>
<td>$1,674,330</td>
<td>$1,825,360</td>
</tr>
</tbody>
</table>

### B

- 2001 collections: $(1,165,134) x 4,000,000 = $4,000,000
- 2002 collections: $(1,165,134) x 1,265,670 = $3,944,966
- 2003 collections: $(300,000) x 300,000 = $73,134

### C

- 2004 collections: $(1,115,134) x 1,874,330 = $3,086,464
- 2005 collections: $(1,115,134) x 1,874,330 = $3,086,464

### D

- Increase in cash flows expected: $100,000
- Reversal of prior allowance: $(25,333)

### E

- $82,333

(a) The $100,000 increase in cash flows expected to be collected results in a reclassification of nonaccrue difference to accrueable yield.
(b) For a loan (not accounted for as a debt security) with an allowance, this amount equals the net loans receivable.

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Case F: Cash Flows Expected for Years 20X4-X5 Are Greater than the Revised Cash Flows Expected for Those Years; Cumulative Expected Cash Flows Are Greater than Cash Flows Originally Expected at Acquisition

Cases F1 and F2 share the following assumptions including a change in expectations. At December 31, 20X2, Entity A determined it was probable that cash flows expected to be collected will be $100,000 less in each of the remaining three years (20X3–X5) than expected at acquisition. Actual cash flows for 20X3 collected were the revised decrease in expected cash flows to be collected. At January 1, 20X4, Entity A determines it is probable that, in both 20X4 and 20X5, Entity A will collect $250,000 more in cash flows than previously expected.

Case F1: Accounted for as a Debt Security

If the loan is accounted for as a debt security, the entire subsequent increase in cash flows expected to be collected is recorded as a yield adjustment on a prospective basis because the earlier recognition in earnings of other-than-temporary impairment may not be reversed. Following is a summary of the activity.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Beginning Carrying Amount</th>
<th>Cash Flows Expected to Be Collected</th>
<th>Interest Income (a)</th>
<th>Reduction of Carrying Amount</th>
<th>Ending Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20X1</td>
<td>$4,000,000</td>
<td>$1,165,134</td>
<td>$560,010</td>
<td>$65,134</td>
<td>$3,384,866</td>
</tr>
<tr>
<td>20X2</td>
<td>3,394,866</td>
<td>1,165,134</td>
<td>476,281</td>
<td>922,616</td>
<td>2,472,650</td>
</tr>
<tr>
<td>20X3</td>
<td>2,472,650</td>
<td>1,065,134</td>
<td>348,199</td>
<td>718,616</td>
<td>1,753,915</td>
</tr>
<tr>
<td>Totals for years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X1–X5</td>
<td>$3,384,866</td>
<td>$3,393,452</td>
<td>$3,381,410</td>
<td>$2,226,485</td>
<td>$1,753,915</td>
</tr>
<tr>
<td>20X4</td>
<td>$1,753,915</td>
<td>$1,315,134</td>
<td>$548,553</td>
<td>$756,487</td>
<td>$987,434</td>
</tr>
<tr>
<td>20X5</td>
<td>997,424</td>
<td>1,315,134</td>
<td>317,720</td>
<td>997,424</td>
<td>-</td>
</tr>
<tr>
<td>Totals for years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X4–X5</td>
<td>$2,630,358</td>
<td>$2,620,268</td>
<td>$878,353</td>
<td>$1,753,915</td>
<td></td>
</tr>
<tr>
<td>20X1–X6</td>
<td>$5,025,270</td>
<td>$2,527,629</td>
<td>$4,600,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) The yield recognized is 14.00 percent for years 20X1 through 20X3 and 21.8518 percent for year 20X4 and 20X5. Interest income exceeds the difference in cash flows expected to be collected and the acquisition price by $232,163, which is the amount of the other-than-temporary impairment recognized in 20X2 that may not be reversed.

(b) The reduction of carrying amount includes an other-than-temporary impairment of $232,163 recognized in earnings.

If Entity A receives the cash flows as indicated above, the following is a summary of the effects of that activity.
Case F2: Accounted for as a Loan

If the loan is not accounted for as a debt security, then following are resulting calculations. The present value of cash flows expected to be collected exceeds the recorded amount. Accordingly, the allowance for loan losses will be reversed in its entirety and the amount of yield to be accreted must be adjusted.

<table>
<thead>
<tr>
<th>A</th>
<th>Contractually Required Payments</th>
<th>B</th>
<th>Cash Expected to Be Collected</th>
<th>C</th>
<th>Nonaccruable Difference</th>
<th>D</th>
<th>Accruable Debt Security</th>
<th>E</th>
<th>Debt Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$7,500,000</td>
<td>$5,650,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
<td>$1,875,000</td>
</tr>
<tr>
<td>Balance</td>
<td>6,334,866</td>
<td>4,690,866</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
</tr>
<tr>
<td>Other-than-temporary impairment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance</td>
<td>5,169,732</td>
<td>3,525,732</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
</tr>
<tr>
<td>Balance</td>
<td>4,104,598</td>
<td>2,360,598</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
<td>1,674,300</td>
</tr>
<tr>
<td>Increase in cash flows expected</td>
<td>500,000</td>
<td>(500,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X4 collections</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
</tr>
<tr>
<td>Balance</td>
<td>2,789,464</td>
<td>1,359,464</td>
<td>1,474,300</td>
<td>1,474,300</td>
<td>1,474,300</td>
<td>1,474,300</td>
<td>1,474,300</td>
<td>1,474,300</td>
<td>1,474,300</td>
</tr>
<tr>
<td>20X5 collections</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
</tr>
<tr>
<td>Balance</td>
<td>1,474,330</td>
<td>$ -</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>1,474,330</td>
</tr>
<tr>
<td>Disposition</td>
<td>(1,474,330)</td>
<td></td>
<td>(1,474,330)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) The $500,000 increase in cash flows expected to be collected results in a reclassification of nonaccruable difference to accretable yield.

<table>
<thead>
<tr>
<th>Debt Security</th>
<th>Allowance</th>
<th>Debt Security</th>
<th>Loss</th>
<th>Cash</th>
<th>Interest Income (a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>20X1 collections</td>
<td>(605,134)</td>
<td>(605,134)</td>
<td>1,165,134</td>
<td>1,165,134</td>
<td>590,000</td>
</tr>
<tr>
<td>Balance</td>
<td>3,394,866</td>
<td>3,394,866</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X2 collections</td>
<td>(889,863)</td>
<td>(889,863)</td>
<td>1,165,134</td>
<td>1,165,134</td>
<td>475,281</td>
</tr>
<tr>
<td>Other-than-temporary impairment</td>
<td>(232,163)</td>
<td>(232,163)</td>
<td>232,163</td>
<td>232,163</td>
<td></td>
</tr>
<tr>
<td>Balance</td>
<td>2,472,660</td>
<td>2,472,660</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X3 collections</td>
<td>(718,635)</td>
<td>(718,635)</td>
<td>1,085,134</td>
<td>1,085,134</td>
<td>348,199</td>
</tr>
<tr>
<td>Balance</td>
<td>1,753,915</td>
<td>1,753,915</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X4 collections</td>
<td>(756,481)</td>
<td>(756,481)</td>
<td>1,315,134</td>
<td>1,315,134</td>
<td>558,653</td>
</tr>
<tr>
<td>Balance</td>
<td>997,434</td>
<td>997,434</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20X5 collections</td>
<td>(997,434)</td>
<td>(997,434)</td>
<td>1,315,134</td>
<td>1,315,134</td>
<td>317,700</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Because the loan is accounted for as a debt security, the reduction in cash flows expected to be collected at the end of 20X2 resulted in recognition in earnings of an other-than-temporary impairment that may not be reversed. The increase in the accretable yield is recognized as interest income on a prospective basis resulting in an increase in yield for years 20X4 and 20X5 from 14.00 percent to 31.8518 percent.

Case F2: Accounted for as a Loan

If the loan is not accounted for as a debt security, then following are resulting calculations. The present value of cash flows expected to be collected exceeds the recorded amount. Accordingly, the allowance for loan losses will be reversed in its entirety and the amount of yield to be accreted must be adjusted.
If Entity A receives the cash flows as indicated above, the following is a summary of the effects of that activity.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Beginning Carrying Amount</th>
<th>Cash Flows Expected to Be Collected</th>
<th>Interest Income</th>
<th>Reduction of Carrying Amount</th>
<th>Ending Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20X1</td>
<td>$4,000,000</td>
<td>$1,165,134</td>
<td>$560,000</td>
<td>$605,134</td>
<td>$3,394,866</td>
</tr>
<tr>
<td>20X2</td>
<td>3,394,866</td>
<td>1,165,134</td>
<td>475,286</td>
<td>522,016</td>
<td>2,472,820</td>
</tr>
<tr>
<td>20X3</td>
<td>2,472,820</td>
<td>1,065,134</td>
<td>348,199</td>
<td>718,932</td>
<td>1,753,915</td>
</tr>
<tr>
<td><strong>Totals for years</strong></td>
<td><strong>$10,848,686</strong></td>
<td><strong>$3,355,482</strong></td>
<td><strong>$1,981,088</strong></td>
<td><strong>$1,407,183</strong></td>
<td><strong>$8,441,503</strong></td>
</tr>
<tr>
<td>20X4</td>
<td>1,753,915</td>
<td>1,315,134</td>
<td>416,286</td>
<td>666,675</td>
<td>1,087,240</td>
</tr>
<tr>
<td>20X5</td>
<td>1,087,240</td>
<td>1,315,134</td>
<td>227,894</td>
<td>1,087,240</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals for years</strong></td>
<td><strong>$2,841,155</strong></td>
<td><strong>$2,630,268</strong></td>
<td><strong>$644,180</strong></td>
<td><strong>$2,174,183</strong></td>
<td><strong>$1,667,065</strong></td>
</tr>
<tr>
<td><strong>Totals for years</strong></td>
<td><strong>$3,649,841</strong></td>
<td><strong>$5,985,750</strong></td>
<td><strong>$2,625,268</strong></td>
<td><strong>$3,581,666</strong></td>
<td><strong>$4,000,000</strong></td>
</tr>
</tbody>
</table>

**Rollforward of Acretable Yield**

- Balance, at acquisition: $1,025,670
- 20X1 accretion: (960,000)
- 20X2 accretion: (475,286)
- 20X3 accretion: (348,199)

**Balance, at December 31, 20X3**: $376,353

**Recalculation of Acretable Yield**

- Remaining cash flows expected to be collected at January 1, 20X4: $2,630,268
- Plus the sum of:
  - Int'l investment: $4,000,000
  - Less: Cash collected to date: (3,394,866)
  - Plus: Yield accrued to date: (1,381,480)

**Remaining Acretable yield as recalculated**: 444,199
- Less: Unadjusted balance: (376,353)

**Adjustment needed to accetable yield**: $67,846

**Proof**

- Total increase in cash flows expected to be collected: $300,000
- Current period reversal of valuation allowance: (322,163)
- Additional income expected: $67,846

(a) The yield recognized is 14.00 percent for years 20X1 through 20X3 and 20.00 percent for years 20X4 and 20X5.
(b) The reduction of carrying amount includes an allowance for loan losses of $322,163.
(c) The reduction of carrying amount includes a reversal of valuation allowance of $322,163.

55-22 If Entity A receives the cash flows as indicated above, the following is a summary of the effects of that activity.

<table>
<thead>
<tr>
<th>Carrying Amount</th>
<th>Required Payments Receivable</th>
<th>Cash Expected to Be Collected</th>
<th>Nonaccretable Difference</th>
<th>Acreetable Yield</th>
<th>Loans Receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$7,500,000</td>
<td>$5,825,670</td>
<td>$1,674,330</td>
<td>$1,825,870</td>
<td>$4,009,000</td>
</tr>
<tr>
<td>20X1 collections</td>
<td>(1,165,134)</td>
<td>(1,165,134)</td>
<td>(560,000)</td>
<td>(605,134)</td>
<td>(605,134)</td>
</tr>
<tr>
<td>Balance</td>
<td>6,334,866</td>
<td>4,660,536</td>
<td>1,674,330</td>
<td>1,295,760</td>
<td>3,394,866</td>
</tr>
<tr>
<td>20X2 collections</td>
<td>(1,165,134)</td>
<td>(1,165,134)</td>
<td>(475,286)</td>
<td>(699,533)</td>
<td>(699,533)</td>
</tr>
<tr>
<td>Impairment</td>
<td>(200,000)</td>
<td>300,000</td>
<td>(67,937)</td>
<td>(232,163)</td>
<td>(232,163)</td>
</tr>
<tr>
<td>Balance</td>
<td>5,169,722</td>
<td>3,195,462</td>
<td>1,974,330</td>
<td>222,552</td>
<td>2,472,820</td>
</tr>
<tr>
<td>20X3 collections</td>
<td>(1,065,134)</td>
<td>(1,065,134)</td>
<td>(348,199)</td>
<td>(718,932)</td>
<td>(718,932)</td>
</tr>
<tr>
<td>Balance</td>
<td>4,104,586</td>
<td>2,129,268</td>
<td>1,974,330</td>
<td>376,353</td>
<td>1,667,065</td>
</tr>
<tr>
<td>Increase in cash flows expected</td>
<td>500,000</td>
<td>(500,000)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reversal of prior allowance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>20X4 collections</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(416,286)</td>
<td>(898,838)</td>
<td>(898,838)</td>
</tr>
<tr>
<td>Balance</td>
<td>2,789,454</td>
<td>1,315,134</td>
<td>1,474,330</td>
<td>227,894</td>
<td>1,087,240</td>
</tr>
<tr>
<td>20X5 collections</td>
<td>(1,315,134)</td>
<td>(1,315,134)</td>
<td>(227,894)</td>
<td>(1,087,240)</td>
<td>(1,087,240)</td>
</tr>
<tr>
<td>Balance</td>
<td>1,474,330</td>
<td>1,474,330</td>
<td>$3,355,482</td>
<td>$1,981,088</td>
<td>$1,407,183</td>
</tr>
</tbody>
</table>

(a) The $500,000 increase in cash flows expected to be collected results in the reversal of the entire allowance previously established and a recalcification of nonaccretable difference to accetable yield.
(b) For a loan (not accounted for as a debt security) with an allowance, the amount equals the net loans.
Case G: Illustrative Note Disclosures

55-23 This Case illustrates note disclosure regarding acquired loans and debt securities with deterioration of credit quality between origination and acquisition. Following is an illustrative note disclosure of Entity A's accounting policy:

Acquired Loans (Including Debt Securities)

Entity A's valuation allowances for all acquired loans subject to this Topic reflect only those losses incurred after acquisition—that is, the present value of cash flows expected at acquisition that are not expected to be collected. Valuation allowances are established only subsequent to acquisition of the loans.

Entity A acquires loans (including debt securities) individually and in groups or portfolios. For certain acquired loans that have experienced deterioration of credit quality between origination and the Entity's acquisition of the loans, the amount paid for a loan reflects Entity A's determination that it is probable Entity A will be unable to collect all amounts due according to the loan's contractual terms. At acquisition, Entity A reviews each loan to determine whether there is evidence of deterioration of credit quality since origination and if it is probable that Entity A will be unable to collect all amounts due according to the loan's contractual terms. If both conditions exist, Entity A determines whether each such loan is to be accounted for individually or whether such loans will be assembled into pools of loans based on common risk characteristics (credit score, loan type, and date of origination). Entity A considers expected prepayments, and estimates the amount and timing of undiscounted expected principal, interest, and other cash flows (expected at acquisition) for each loan and subsequently aggregated pool of loans. Entity A determines the excess of the loan's or pool's scheduled contractual principal and contractual interest payments over all cash flows expected at acquisition as an amount that should not be accreted (nonaccretable difference). The remaining amount—representing the excess of the loan's cash flows expected to be collected over the amount paid—is accreted into interest income over the remaining life of the loan or pool (accretable yield).

Over the life of the loan or pool, Entity A continues to estimate cash flows expected to be collected. Entity A evaluates at the balance sheet date whether the present value of its loans determined using the effective interest rates has decreased and if so, recognizes a loss. For loans or pools that are not accounted for as debt securities, the present value of any subsequent increase in the loan's or pool's actual cash flows or cash flows expected to be collected is used first to reverse any existing valuation allowance for that loan or pool. For any remaining increases in cash flows expected to be collected, or for loans or pools accounted for as debt securities, Entity A adjusts the amount of accretable yield recognized on a prospective basis over the loan's or pool's remaining life.

55-24 Following is illustrative wording that includes the disclosures required by this Subtopic.

For loans accounted for as debt securities (amounts in thousands):

Entity A has acquired loans accounted for as debt securities, for which there was, prior to their being acquired in a transfer, evidence of deterioration of credit quality since origination. It was probable, at acquisition, that all contractually required payments for those loans would not be collected.

The carrying amount of those loans accounted for as debt securities is included in the balance sheet amounts at December 31. The outstanding balance (representing amounts owed to the company at the balance sheet date) and carrying amounts of those loans classified as held-to-maturity securities and available-for-sale securities at December 31 are as follows.

<table>
<thead>
<tr>
<th></th>
<th>20X3</th>
<th>20X4</th>
<th>20X5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Held-to-maturity:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding balance</td>
<td>41,362</td>
<td>42,262</td>
<td>29,093</td>
</tr>
<tr>
<td>Carrying amount, net</td>
<td>21,921</td>
<td>23,299</td>
<td>21,892</td>
</tr>
<tr>
<td>Available-for-sale securities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding balance</td>
<td>43,726</td>
<td>43,162</td>
<td>42,063</td>
</tr>
<tr>
<td>Carrying amount, net</td>
<td>23,612</td>
<td>23,523</td>
<td>22,500</td>
</tr>
</tbody>
</table>
During the years ended December 31, 20X5 and 20X4, Entity A recognized other-than-temporary impairment of $15 and $3, respectively.

Debt securities acquired each year for which it was probable at acquisition that all contractually required payments would not be collected are as follows.

Certain of the debt securities acquired by Entity A that are within the scope of this Topic are not accounted for using the income recognition model of the Topic because Entity A cannot reasonably estimate cash flows expected to be collected. The carrying amounts of such debt securities, all of which are classified as available-for-sale securities, are as follows.

<table>
<thead>
<tr>
<th></th>
<th>Held-to-Maturity Securities</th>
<th>Available-for-Sale Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at December 31, 20X3</td>
<td>$9,662</td>
<td>$9,662</td>
</tr>
<tr>
<td>Additions</td>
<td>948</td>
<td>958</td>
</tr>
<tr>
<td>Accretion</td>
<td>(1,564)</td>
<td>(1,564)</td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at December 31, 20X4</td>
<td>8,641</td>
<td>8,256</td>
</tr>
<tr>
<td>Additions</td>
<td>1,447</td>
<td>958</td>
</tr>
<tr>
<td>Accretion</td>
<td>(1,564)</td>
<td>(1,776)</td>
</tr>
<tr>
<td>Reclassifications from nonaccrueable difference</td>
<td>1,221</td>
<td>922</td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at December 31, 20X5</td>
<td>$9,275</td>
<td>$8,349</td>
</tr>
</tbody>
</table>

During the years ended December 31, 20X5 and 20X4, Entity A recognized other-than-temporary impairment of $15 and $3, respectively.

Debt securities acquired each year for which it was probable at acquisition that all contractually required payments would not be collected are as follows.

<table>
<thead>
<tr>
<th></th>
<th>20X5</th>
<th>20X4</th>
<th>20X3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Held-to-maturity:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractually required payments receivable</td>
<td>$4,936</td>
<td>$3,362</td>
<td>$3,009</td>
</tr>
<tr>
<td>Cash flows expected to be collected</td>
<td>4,134</td>
<td>2,708</td>
<td>2,476</td>
</tr>
<tr>
<td>Basis in acquired securities</td>
<td>2,687</td>
<td>1,760</td>
<td>1,701</td>
</tr>
<tr>
<td>Available-for-sale:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractually required payments receivable</td>
<td>$3,726</td>
<td>$2,562</td>
<td>$2,063</td>
</tr>
<tr>
<td>Cash flows expected to be collected</td>
<td>2,979</td>
<td>2,086</td>
<td>1,577</td>
</tr>
<tr>
<td>Basis in acquired securities</td>
<td>2,011</td>
<td>1,057</td>
<td>1,026</td>
</tr>
</tbody>
</table>

Certain of the debt securities acquired by Entity A that are within the scope of this Topic are not accounted for using the income recognition model of the Topic because Entity A cannot reasonably estimate cash flows expected to be collected. The carrying amounts of such debt securities, all of which are classified as available-for-sale securities, are as follows.

<table>
<thead>
<tr>
<th></th>
<th>20X5</th>
<th>20X4</th>
<th>20X3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt securities acquired during the year</td>
<td>$492</td>
<td>$230</td>
<td>$140</td>
</tr>
<tr>
<td>Debt securities at end of year</td>
<td>659</td>
<td>794</td>
<td>810</td>
</tr>
</tbody>
</table>

55-25 Following is illustrative wording that includes the disclosures required by this Subtopic.

For loans not accounted for as debt securities (amounts in thousands):

Entity A has loans that were acquired in a transfer, for which there was, at acquisition, evidence of deterioration of credit quality since origination and for which it was probable, at acquisition, that all contractually required payments would not be collected.

The carrying amount of those loans is included in the balance sheet amounts of loans receivable at December 31. The amounts of loans at December 31 are as follows.

<table>
<thead>
<tr>
<th></th>
<th>20X5</th>
<th>20X4</th>
<th>20X3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>28,273</td>
<td>27,894</td>
<td>26,777</td>
</tr>
<tr>
<td>Consumer</td>
<td>8,063</td>
<td>7,085</td>
<td>6,013</td>
</tr>
<tr>
<td>Outstanding balance</td>
<td>36,334</td>
<td>34,979</td>
<td>32,790</td>
</tr>
<tr>
<td>Carrying amount, net of allowance of $878, $990, and $850</td>
<td>$23,732</td>
<td>$23,472</td>
<td>$21,918</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>20X5</th>
<th>20X4</th>
<th>20X3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accretable Yield</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at December 31, 20X3</td>
<td>$10,183</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>956</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accretion</td>
<td>(426)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reclassifications from nonaccrueable difference</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at December 31, 20X4</td>
<td>10,760</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>1,084</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accretion</td>
<td>(450)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reclassifications from nonaccrueable difference</td>
<td>57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at December 31, 20X5</td>
<td>$11,452</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

During the years ended December 31, 20X5 and 20X4, Entity A increased the allowance for loan losses by a charge to the income statement by $18 and $10, respectively. No allowances for loan losses were reversed in 20X5 or 20X4.

Loans acquired during each year for which it was probable at acquisition that all contractually required payments would not be collected are as follows.
Certain of the loans acquired by Entity A that are within the scope of this Topic are not accounted for using the income recognition model of the Topic because Entity A cannot reasonably estimate cash flows expected to be collected. The carrying amounts of such loans (which are included in the carrying amount, net of allowance, described above) are as follows.

Table: Contractually required payments receivable at acquisition:

<table>
<thead>
<tr>
<th></th>
<th>20X5</th>
<th>20X4</th>
<th>20X3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$3,273</td>
<td>$2,884</td>
<td>$2,778</td>
</tr>
<tr>
<td>Consumer</td>
<td>1,021</td>
<td>1,168</td>
<td>1,011</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>4,294</td>
<td>4,052</td>
<td>3,789</td>
</tr>
<tr>
<td>Cash flows expected to be collected at acquisition</td>
<td>3,490</td>
<td>3,284</td>
<td>3,036</td>
</tr>
<tr>
<td>Basis in acquired loans at acquisition</td>
<td>2,406</td>
<td>2,286</td>
<td>2,101</td>
</tr>
</tbody>
</table>

Example 2: Loans Acquired in a Group; Accounted for Individually and in Assembled Pools

55-26 The following Cases illustrate two ways in which loans acquired in a group can be accounted for:

a. Loans accounted for individually (Case A)

b. Loans accounted for as a pool (Case B).

55-27 In Cases A and B, each loan is evaluated individually, whether the loan was acquired individually or in a group.

Case A: Loans Accounted for Individually

55-28 An investor acquires 1,000 loans from Seller A in a single transaction and one loan from Seller B in another transaction the same day. The investor individually evaluates each loan, making individual determinations of probability of collecting all contractual cash flows. The loans for which there is evidence of deterioration of credit quality since origination and it is probable that a more than insignificant shortfall will occur are considered to be within the scope of this Subtopic and the investor accounts for each loan individually. The other loans (that is, those loans not meeting the paragraph 310-30-15-2 scope criteria) are accounted for as acquired loans under this Topic.

Case B: Loans Accounted for as a Pool

55-29 Alternatively, to facilitate recordkeeping and reporting, the investor decides to aggregate certain loans that individually are within the scope of this Subtopic and that are not accounted for as debt securities into pools that have common credit risk characteristics such as past-due status, Fair Isaac Corporation (FICO) score (an automated rating process for credit reports), or risk rating and a predominant risk characteristic, such as type of loan. All loans not determined individually to be within the scope defined in paragraph 310-30-15-2 of this Subtopic are accounted for as acquired loans under this Topic.
310-30-60 Relationships

General Note: The Relationships Section contains links to guidance that may be helpful to, but not required by, a user of the Subtopic. This Section may not be all-inclusive. The relationship items are organized according to the Topic structure in the Codification.

General

> Investments—Other

60-1 For guidance on accounting for a transferor's interests in securitized transactions accounted for as sales (see Topic 860) and purchased beneficial interests, see Subtopic 325-40.

> Debt

60-2 For the borrower's accounting for a participating mortgage loan if the lender is entitled to participate in appreciation in the fair value of the mortgaged real estate project, the results of operations of the mortgaged real estate project, or in both, see Topic 470.

60-3 For the accounting for troubled debt restructurings by debtors, see Subtopic 470-60, as applicable.
310-30-75 XBRL Elements

**General Note:** This section contains a list of XBRL elements that reference paragraphs in this Subtopic. For additional details regarding changes to the development version of the US GAAP Financial Reporting Taxonomy, refer to the FASB taxonomy review and comment system on the FASB web site.

**XBRL Links to Codification**

**Accounting for Certain Loans and Debt Securities Acquired in Transfer Disclosure [Text Block]**

Element Name: AccountingForCertainLoansAndDebtSecuritiesAcquiredInTransferDisclosureTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-1
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-15

**All Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Not Accounted for Using Income Recognition Model, at Carrying Value**

Element Name: AllCertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesNotAccountedForUsingIncomeRecognitionModelAtCarryingValue

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

**All Certain Loans Acquired in Transfer Accounted for as Debt Securities, Not Accounted for Using Income Recognition Model, End of Period, at Carrying Value**

Element Name: AllCertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesNotAccountedForUsingIncomeRecognitionModelEndOfPeriodAtCarryingValue

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

**All Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Not Accounted for Using Income Recognition Model, End of Period, at Carrying Value**

Element Name: AllCertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesNotAccountedForUsingIncomeRecognitionModelEndOfPeriodAtCarryingValue

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

**All Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Not Accounted for Using Income Recognition Model**

Element Name: AllCertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesNotAccountedForUsingIncomeRecognitionModel

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)
Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYield
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Accretion

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldAccretion
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Additions

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldAdditions
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Disposals of Loans

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldDisposalsOfLoans
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Period Increase (Decrease)

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldPeriodIncreaseDecrease
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Reclassifications from Nonaccretable Difference

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldReclassificationsFromNonaccretableDifference
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Accretable Yield, Reclassifications to Nonaccretable Difference

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAccretableYieldReclassificationsToNonaccretableDifference
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Acquired During Period, Not Accounted for Using Income Recognition Model, at Acquisition, at Carrying Value

Element Name: CertainLoansAcquiredInTransferAccountedForAsAvailableForSaleDebtSecuritiesAcquiredDuringPeriodNotAccountedForUsingIncomeRecognitionModelAtAcquis...
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

Certain Loans Acquired in Transfer Accounted for as Available-for-sale Debt Securities, Acquired, Cash Flows Expected to be Collected at Acquisition (Revision Date: 2012-03-11)
Certain Loans Acquired in Transfer Accounted for as Debt Securities, Accretable Yield, Additions

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAccretableYieldAdditions
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Accretable Yield, Disposals of Loans

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAccretableYieldDisposalsOfLoans
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Accretable Yield, Period Increase (Decrease)

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAccretableYieldPeriodIncreaseDecrease
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Accretable Yield, Reclassifications from Nonaccretable Difference

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAccretableYieldReclassificationsFromNonaccretableDifference
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Accretable Yield, Reclassifications to Nonaccretable Difference

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAccretableYieldReclassificationsToNonaccretableDifference
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Acquired During Period, Cash Flows Expected to be Collected at Acquisition

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAcquiredDuringPeriodCashFlowsExpectedToBeCollectedAtAcquisition
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Acquired During Period, Contractually Required Payments Receivable at Acquisition

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAcquiredDuringPeriodContractuallyRequiredPaymentsReceivableAtAcquisition
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Acquired During Period, Not Accounted for Using Income Recognition Model, at Acquisition, at Carrying Value

Element Name: CertainLoansAcquiredInTransferAccountedForAsDebtSecuritiesAcquiredDuringPeriodNotAccountedForUsingIncomeRecognitionModelAtAcquisitionAtCarryingVa
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

Certain Loans Acquired in Transfer Accounted for as Debt Securities, Acquired During Period, at Acquisition, at Fair Value
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**Certain Loans Acquired in Transfer Accounted for as Debt Securities, Other-than-Temporary Impairment Charges, Credit Loss** *(Revision Date: 2012-07-04)*

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Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Accretable Yield, Reclassifications from Nonaccretable Difference

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesAccretableYieldReclassificationsFromNonaccretableDifference

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Accretable Yield, Reclassifications to Nonaccretable Difference

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Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Acquired During Period, Cash Flows Expected to be Collected at Acquisition

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesAcquiredDuringPeriodCashFlowsExpectedToBeCollectedAtAcquisition

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
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Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Acquired During Period, Contractually Required Payments Receivable at Acquisition

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesAcquiredDuringPeriodContractuallyRequiredPaymentsReceivableAtAcquisition

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Acquired During Period, Not Accounted for Using Income Recognition Model, at Acquisition, at Carrying Value

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesAcquiredDuringPeriodNotAccountedForUsingIncomeRecognitionModelAtAcquisition

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (4)

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Acquired During Period, at Acquisition, at Fair Value

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesAcquiredDuringPeriodAtAcquisitionAtFairValue

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Carrying Amount, Net

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesCarryingAmountNet

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (1)

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Other-than-Temporary Impairment Charges, Credit Loss (Revision Date: 2012-07-04)

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesOtherThanTemporaryImpairmentChargesCreditLoss
This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 35 Subsequent Measurement > General, 35-8 (a)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 320 Investments—Debt and Equity Securities > 10 Overall > 35 Subsequent Measurement > General, 35-34D

Certain Loans Acquired in Transfer Accounted for as Held-to-maturity Debt Securities, Outstanding Balance

Element Name: CertainLoansAcquiredInTransferAccountedForAsHeldToMaturityDebtSecuritiesOutstandingBalance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (1)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYield

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Accretion

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldAccretion

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Additions

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldAdditions

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Disposals of Loans

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldDisposalsOfLoans

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Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Period Increase (Decrease)

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldPeriodIncreaseDecrease

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Reclassifications (to) from Nonaccretable Difference (Revision Date: 2012-07-03)

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldReclassificationsToFromNonaccretableDifference

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Reclassifications from Nonaccretable Difference

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Accretable Yield, Transfers to Loans Held-for-sale

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAccretableYieldTransfersToLoansHeldForSale
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Acquired During Period, Cash Flows Expected to be Collected at Acquisition

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAcquiredDuringPeriodCashFlowsExpectedToBeCollectedAtAcquisition
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Acquired During Period, Commercial, Contractually Required Payments Receivable at Acquisition

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAcquiredDuringPeriodCommercialContractuallyRequiredPaymentsReceivableAtAcquisition
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Acquired During Period, Commercial, at Acquisition, at Fair Value

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAcquiredDuringPeriodCommercialAtAcquisitionAtFairValue
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

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Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAcquiredDuringPeriodConsumerCashFlowsExpectedToBeCollectedAtAcquisition
This XBRL element references the following paragraph(s) in this Subtopic:
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)

Certain Loans Acquired in Transfer Not Accounted for as Debt Securities, Acquired During Period, Consumer, Contractually Required Payments Receivable at Acquisition

Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesAcquiredDuringPeriodConsumerContractuallyRequiredPaymentsReceivableAtAcquisition
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (3)
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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
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Element Name: CertainLoansAcquiredInTransferNotAccountedForAsDebtSecuritiesOutstandingBalance

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- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (1)

**Certain Loans and Debt Securities Acquired in Transfer, Description of how Prepayments are Considered in Determination of Contractual Cash Flows and Cash Flows Expected to be Collected**

Element Name: CertainLoansAndDebtSecuritiesAcquiredInTransferDescriptionOfHowPrepaymentsAreConsideredInDeterminationOfContractualCashFlowsAndCashFlowsExpectedToBeCollected

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-18

**Deteriorated Loans Transferred in, Debt Securities, Accreditable Yield, Period Increase (Decrease)**

Element Name: DeterioratedLoansTransferredInDebtSecuritiesAccreditableYieldPeriodIncreaseDecrease

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 15 Scope > General, 15-2
- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (1)

**Deteriorated Loans Transferred in, Policy [Policy Text Block]**

Element Name: DeterioratedLoansTransferredInPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (a) (2)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

**Fair Value, Concentration of Risk, Loans Receivable**

Element Name: FairValueConcentrationOfRiskLoansReceivable

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Fair Value, Estimate Not Practicable, Loans Receivable**

Element Name: FairValueEstimateNotPracticableLoansReceivable

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

**Fair Value, Estimate Not Practicable, Reasons, Loans Receivable**

Element Name: FairValueEstimateNotPracticableReasonsLoansReceivable

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 825 Financial Instruments > 10 Overall > 50 Disclosure > General, 50-16 (b)
Investments in Debt and Marketable Equity Securities (and Certain Trading Assets) Disclosure [Text Block]

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-2
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-5
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-6
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-9
- 320 Investments—Debt and Equity Securities > 10 Overall > 50 Disclosure > General, 50-10
- 942 Financial Services—Depository and Lending > 320 Investments—Debt and Equity Securities > 50 Disclosure > General, 50-2

This XBRL element references the following glossary term(s):

- Master Glossary > Debt Security
- Master Glossary > Equity Security

Loans Receivable, Fair Value Disclosure

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

Loans [Member]

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

Loans and Finance Receivables [Member] (Revision Date: 2012-09-26)

This XBRL element references the following glossary term(s):

- Master Glossary > Loan

Loans and Leases Receivable, Allowance (Revision Date: 2013-11-25)

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-2 (b) (1) (ii)

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (c) (1)
- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Transfers and Servicing of Financial Assets, Policy [Policy Text Block] (Revision Date: 2013-11-24)

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 30 Loans and Debt Securities Acquired with Deteriorated Credit Quality > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3
- 860 Transfers and Servicing > 10 Overall > 50 Disclosure > General, 50-2
- 860 Transfers and Servicing > 20 Sales of Financial Assets > 50 Disclosure > General, 50-4 (a)
- 860 Transfers and Servicing > 30 Secured Borrowing and Collateral > 50 Disclosure > General, 50-1A
- 860 Transfers and Servicing > 50 Servicing Assets and Liabilities > 50 Disclosure > General, 50-2 (a)
- 860 Transfers and Servicing > 50 Servicing Assets and Liabilities > 50 Disclosure > General, 50-3 (a)
- 860 Transfers and Servicing > 50 Servicing Assets and Liabilities > 50 Disclosure > General, 50-4 (a)
310-40-00 Status

**General Note:** The Status Section identifies changes to this Subtopic resulting from Accounting Standards Updates. The Section provides references to the affected Codification content and links to the related Accounting Standards Updates. Nonsubstantive changes for items such as editorial, link and similar corrections are included separately in Maintenance Updates.

### General

**00-1** The following table identifies the changes made to this Subtopic.

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310-40-05 Overview and Background

General Note: The Overview and Background Section provides overview and background material for the guidance contained in the Subtopic. It does not provide the historical background or due process. It may contain certain material that users generally consider useful to understand the typical situations addressed by the standards. The Section does not summarize the accounting and reporting requirements.

General

05-1 This Subtopic addresses measurement, derecognition, disclosure, and implementation guidance issues concerning troubled debt restructurings focused on the creditor’s records. The debtor’s accounting is discussed under Subtopic 470-60.
General Note: The Objectives Section provides the high-level objectives that the Subtopic is intended to accomplish or attain. The Section does not summarize or discuss the main principles of accounting and reporting requirements.

General

10-1 The accounting for restructured debt is based on the substance of the modifications—the effect on cash flows—not on the labels chosen to describe those cash flows. The substance of all modifications of a debt in a troubled debt restructuring is essentially the same whether they involve modifications of any of the following:

a. Timing

b. Amounts designated as interest

c. Amounts designated as face amounts.

10-2 All of those kinds of modifications affect future cash receipts or payments and therefore affect both of the following:

a. The creditor's total return on the receivable, its effective interest rate, or both

b. The debtor's total cost on the payable, its effective interest rate, or both.
**General Note:** The Scope and Scope Exceptions Section outlines the items (for example, the entities, transactions, instruments, or events) to which the guidance in the Subtopic does or does not apply. In some cases, the Section may contain definitional or other text to frame the scope.

**General Note for Financial Instruments:** Some of the items subject to the guidance in this Subtopic are financial instruments. For guidance on matters related broadly to all financial instruments, (including the fair value option, accounting for registration payment arrangements, and broad financial instrument disclosure requirements), see Topic 825. See Section 825-10-15 for guidance on the scope of the Financial Instruments Topic.

**General**

> **Entities**

15-1 The guidance in this Subtopic applies to all creditors.

> **Transactions**

15-2 The guidance in this Subtopic applies to all troubled debt restructurings by creditors.

> **Other Considerations**
This Subtopic establishes standards of financial accounting and reporting by the creditor for a troubled debt restructuring. Subtopic 470-60 addresses a debtor's financial accounting and reporting for a troubled debt restructuring. Together, the two Subtopics establish tests for applicability that are not symmetrical between the debtor and the creditor when the debtor's carrying amount and the creditor's recorded investment differ. A debtor may have a troubled debt restructuring under Subtopic 470-60 even though the related creditor does not have a troubled debt restructuring under the same tests in this Subtopic. The debtor and creditor shall individually apply the tests to the specific facts and circumstances to determine whether a troubled debt restructuring has occurred. The guidance in paragraphs 310-40-15-5 through 15-12 establishes whether a troubled debt restructuring has occurred from the creditor's perspective.

**Unit of Accounting**

The substance rather than the form of the receivable shall govern. Receivables that may be involved in troubled debt restructurings commonly result from lending cash, or selling goods or services on credit. Examples are accounts receivable, notes, debentures and bonds (whether those receivables are secured or unsecured and whether they are convertible or nonconvertible), and related accrued interest, if any. Typically, each receivable is negotiated separately, but sometimes two or more receivables are negotiated together. For example, a debtor may negotiate with a group of creditors but sign separate debt instruments with each creditor. For purposes of this Subtopic, restructuring of each receivable, including those negotiated and restructured jointly, shall be accounted for individually.

**Troubled Debt Restructuring**

A restructuring of a debt constitutes a troubled debt restructuring for purposes of this Subtopic if the creditor for economic or legal reasons related to the debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider.

That concession is granted by the creditor in an attempt to protect as much of its investment as possible. That concession either stems from an agreement between the creditor and the debtor or is imposed by law or a court; for example, either of the following circumstances might occur:

- A creditor may restructure the terms of a debt to alleviate the burden of the debtor's near-term cash requirements, and many troubled debt restructurings involve modifying terms to reduce or defer cash payments required of the debtor in the near future to help the debtor attempt to improve its financial condition and eventually be able to pay the creditor.
b. The creditor may accept cash, other assets, or an equity interest in the debtor in satisfaction of the debt though the value received is less than the amount of the debt because the creditor concludes that step will maximize recovery of its investment. Although troubled debt that is fully satisfied by foreclosure, repossession, or other transfer of assets or by grant of equity securities by the debtor is, in a technical sense, not restructured, that kind of event is included in the term troubled debt restructuring in this Subtopic.

15-7 Whatever the form of concession granted by the creditor to the debtor in a troubled debt restructuring, the creditor’s objective is to make the best of a difficult situation. That is, the creditor expects to obtain more cash or other value from the debtor, or to increase the probability of receipt, by granting the concession than by not granting it.

15-8 In general, a debtor that can obtain funds from sources other than the existing creditor at market interest rates at or near those for nontroubled debt is not involved in a troubled debt restructuring. A debtor in a troubled debt restructuring can obtain funds from sources other than the existing creditor in the troubled debt restructuring, if at all, only at effective interest rates (based on market prices) so high that it cannot afford to pay them.

15-8A In evaluating whether a restructuring constitutes a troubled debt restructuring, a creditor shall not apply the guidance in paragraph 470-60-55-10.

15-9 A troubled debt restructuring may include, but is not necessarily limited to, one or a combination of the following:

   a. Transfer from the debtor to the creditor of receivables from third parties, real estate, or other assets to satisfy fully or partially a debt (including a transfer resulting from foreclosure or repossession)

   b. Issuance or other granting of an equity interest to the creditor by the debtor to satisfy fully or partially a debt unless the equity interest is granted pursuant to existing terms for converting the debt into an equity interest

   c. Modification of terms of a debt, such as one or a combination of any of the following:

      1. Reduction (absolute or contingent) of the stated interest rate for the remaining original life of the debt

      2. Extension of the maturity date or dates at a stated interest rate lower than the current market rate for new debt with similar risk

      3. Reduction (absolute or contingent) of the face amount or maturity amount of the debt as stated in the instrument or other agreement

      4. Reduction (absolute or contingent) of accrued interest.
15-10 The guidance in this Subtopic shall be applied to all troubled debt restructurings including those consummated under reorganization, arrangement, or other provisions of the Federal Bankruptcy Act or other federal statutes related thereto.

15-11 For purposes of this Subtopic, none of the following are considered troubled debt restructurings:

   a. Changes in lease agreements (for guidance, see Topic 840)

   b. Changes in employment-related agreements, for example, pension plans and deferred compensation contracts

   c. Unless they involve an agreement between debtor and creditor to restructure, either of the following:

      1. Debtors' failures to pay trade accounts according to their terms

      2. Creditors' delays in taking legal action to collect overdue amounts of interest and principal.

   d. Modifications of loans within a pool accounted for in accordance with Subtopic 310-30 (see paragraph 310-30-15-6)

   e. Changes in expected cash flows of a pool of loans accounted for in accordance with Subtopic 310-30 (see paragraph 310-30-15-6) resulting from the modification of one or more loans within the pool.

15-12 A debt restructuring is not necessarily a troubled debt restructuring for purposes of this Subtopic even if the debtor is experiencing some financial difficulties. For purposes of this Subtopic, none of the following debt restructurings, for example, are considered troubled debt restructurings:

   a. The fair value of cash, other assets, or an equity interest accepted by a creditor from a debtor in full satisfaction of its receivable at least equals the creditor's recorded investment in the receivable.

   b. The fair value of cash, other assets, or an equity interest transferred by a debtor to a creditor in full settlement of its payable at least equals the debtor's carrying amount of the payable.

   c. The creditor reduces the effective interest rate on the debt primarily to reflect a decrease in market interest rates in general or a decrease in the risk so as to maintain a relationship with a debtor that can readily obtain funds from other sources at the current market interest rate.
d. The debtor issues in exchange for its debt new marketable debt having an effective interest rate based on its market price that is at or near the current market interest rates of debt with similar maturity dates and stated interest rates issued by nontroubled debtors.

>> Determining Whether a Creditor Has Granted a Concession

15-13 A creditor has granted a concession when, as a result of the restructuring, it does not expect to collect all amounts due, including interest accrued at the original contract rate. In that situation, and if the payment of principal at original maturity is primarily dependent on the value of collateral, an entity shall consider the current value of that collateral in determining whether the principal will be paid.

15-14 A creditor may restructure a debt in exchange for additional collateral or guarantees from the debtor. In that situation, a creditor has granted a concession when the nature and amount of that additional collateral or guarantees received as part of a restructuring do not serve as adequate compensation for other terms of the restructuring. When additional guarantees are received in a restructuring, an entity shall evaluate both a guarantor’s ability and its willingness to pay the balance owed.

15-15 If a debtor does not otherwise have access to funds at a market rate for debt with similar risk characteristics as the restructured debt, the restructuring would be considered to be at a below-market rate, which may indicate that the creditor has granted a concession. In that situation, a creditor shall consider all aspects of the restructuring in determining whether it has granted a concession.

15-16 A temporary or permanent increase in the contractual interest rate as a result of a restructuring does not preclude the restructuring from being considered a concession because the new contractual interest rate on the restructured debt could still be below market interest rates for new debt with similar risk characteristics. In that situation, a creditor shall consider all aspects of the restructuring in determining whether it has granted a concession.

>> Evaluating Whether a Restructuring Results in a Delay in Payment That Is Insignificant

15-17 A restructuring that results in only a delay in payment that is insignificant is not a concession. The following factors, when considered together, may indicate that a restructuring results in a delay in payment that is insignificant:
a. The amount of the restructured payments subject to the delay is insignificant relative to the unpaid principal or collateral value of the debt and will result in an insignificant shortfall in the contractual amount due.

b. The delay in timing of the restructured payment period is insignificant relative to any one of the following:
   
   1. The frequency of payments due under the debt
   2. The debt's original contractual maturity
   3. The debt's original expected duration.

15-18 If the debt has been previously restructured, an entity shall consider the cumulative effect of the past restructurings when determining whether a delay in payment resulting from the most recent restructuring is insignificant.

15-19 Examples 3, 4, and 5 in paragraphs 310-40-55-16 through 55-25 illustrate a creditor's evaluation about whether a delay in payment resulting from a restructuring is insignificant.

>>> Determining Whether a Debtor Is Experiencing Financial Difficulties

15-20 In evaluating whether a receivable is a troubled debt restructuring, a creditor must determine whether the debtor is experiencing financial difficulties. In making this determination, a creditor shall consider the following indicators:

   a. The debtor is currently in payment default on any of its debt. In addition, a creditor shall evaluate whether it is probable that the debtor would be in payment default on any of its debt in the foreseeable future without the modification. That is, a creditor may conclude that a debtor is experiencing financial difficulties, even though the debtor is not currently in payment default.
   
   b. The debtor has declared or is in the process of declaring bankruptcy.
   
   c. There is substantial doubt as to whether the debtor will continue to be a going concern.
   
   d. The debtor has securities that have been delisted, are in the process of being delisted, or are under threat of being delisted from an exchange.
   
   e. On the basis of estimates and projections that only encompass the debtor’s current capabilities, the creditor forecasts that the debtor’s entity-specific cash flows will be insufficient to service any of its debt (both interest and principal) in accordance with the contractual terms of the existing agreement for the foreseeable future.
f. Without the current modification, the debtor cannot obtain funds from sources other than the existing creditors at an effective interest rate equal to the current market interest rate for similar debt for a nontroubled debtor.

The above list of indicators is not intended to include all indicators of a debtor’s financial difficulties.
310-40-20 Glossary

**General Note:** The Master Glossary contains all terms identified as glossary terms throughout the Codification. Clicking on any term in the Master Glossary will display where the term is used. The Master Glossary may contain identical terms with different definitions, some of which may not be appropriate for a particular Subtopic. For any particular Subtopic, users should only use the glossary terms included in the particular Subtopic Glossary Section (Section 20).

**Carrying Amount**

For a receivable, the face amount increased or decreased by applicable accrued interest and applicable unamortized premium, discount, finance charges, or issue costs and also an allowance for uncollectible amounts and other valuation accounts.

For a payable, the face amount increased or decreased by applicable accrued interest and applicable unamortized premium, discount, finance charges, or issue costs

**Debt**

A receivable or payable (collectively referred to as debt) represents a contractual right to receive money or a contractual obligation to pay money on demand or on fixed or determinable dates that is already included as an asset or liability in the creditor's or debtor's balance sheet at the time of the restructuring.

**Effective Interest Rate**
The rate of return implicit in the loan, that is, the contractual interest rate adjusted for any net deferred loan fees or costs, premium, or discount existing at the origination or acquisition of the loan.

**Fair Value**

The price that would be received to sell an asset or paid to transfer a liability in an *orderly transaction* between *market participants* at the measurement date.

**Financing Receivable**

A financing arrangement that has both of the following characteristics:

a. It represents a contractual right to receive money in either of the following ways:
   
   1. On demand
   2. On fixed or determinable dates.

b. It is recognized as an asset in the entity’s statement of financial position.

See paragraphs 310-10-55-13 through 55-15 for more information on the definition of financing receivable, including a list of items that are excluded from the definition (for example, debt securities).

**Market Participants**

Buyers and sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:

a. They are independent of each other, that is, they are not related parties, although the price in a related-party transaction may be used as an input to a fair value measurement if the reporting entity has evidence that the transaction was entered into at market terms

b. They are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due diligence efforts that are usual and customary

c. They are able to enter into a transaction for the asset or liability

d. They are willing to enter into a transaction for the asset or liability, that is, they are motivated but not forced or otherwise compelled to do so.
**Not-for-Profit Entity**

An entity that possesses the following characteristics, in varying degrees, that distinguish it from a business entity:

a. Contributions of significant amounts of resources from resource providers who do not expect commensurate or proportionate pecuniary return

b. Operating purposes other than to provide goods or services at a profit

c. Absence of ownership interests like those of business entities.

Entities that clearly fall outside this definition include the following:

a. All investor-owned entities

b. Entities that provide dividends, lower costs, or other economic benefits directly and proportionately to their owners, members, or participants, such as mutual insurance entities, credit unions, farm and rural electric cooperatives, and employee benefit plans.

**Orderly Transaction**

A transaction that assumes exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities; it is not a forced transaction (for example, a forced liquidation or distress sale).

**Probable**

The future event or events are likely to occur.

**Public Business Entity**

A public business entity is a business entity meeting any one of the criteria below. Neither a not-for-profit entity nor an employee benefit plan is a business entity.

a. It is required by the U.S. Securities and Exchange Commission (SEC) to file or furnish financial statements, or does file or furnish financial statements (including voluntary filers), with the SEC (including other entities whose financial statements or financial information are required to be or are included in a filing).
b. It is required by the Securities Exchange Act of 1934 (the Act), as amended, or rules or regulations promulgated under the Act, to file or furnish financial statements with a regulatory agency other than the SEC.

c. It is required to file or furnish financial statements with a foreign or domestic regulatory agency in preparation for the sale of or for purposes of issuing securities that are not subject to contractual restrictions on transfer.

d. It has issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market.

e. It has one or more securities that are not subject to contractual restrictions on transfer, and it is required by law, contract, or regulation to prepare U.S. GAAP financial statements (including footnotes) and make them publicly available on a periodic basis (for example, interim or annual periods). An entity must meet both of these conditions to meet this criterion.

An entity may meet the definition of a public business entity solely because its financial statements or financial information is included in another entity’s filing with the SEC. In that case, the entity is only a public business entity for purposes of financial statements that are filed or furnished with the SEC.

**Recorded Investment**

The amount of the investment in a loan, which is not net of a valuation allowance, but which does reflect any direct write-down of the investment.

**Recorded Investment in the Receivable**

The recorded investment in the receivable is the face amount increased or decreased by applicable accrued interest and unamortized premium, discount, finance charges, or acquisition costs and may also reflect a previous direct write-down of the investment.

**Related Parties**

Related parties include:

a. Affiliates of the entity

b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity
c. Trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management

d. Principal owners of the entity and members of their immediate families

e. Management of the entity and members of their immediate families

f. Other parties with which the entity may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests

g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

**Time of Restructuring**

Troubled debt restructurings may occur before, at, or after the stated maturity of debt, and time may elapse between the agreement, court order, and so forth, and the transfer of assets or equity interest, the effective date of new terms, or the occurrence of another event that constitutes consummation of the restructuring. The date of consummation is the time of the restructuring.

**Troubled Debt Restructuring**

A restructuring of a debt constitutes a troubled debt restructuring if the creditor for economic or legal reasons related to the debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider.
310-40-25 Recognition

**General Note:** The Recognition Section provides guidance on the required criteria, timing, and location (within the financial statements) for recording a particular item in the financial statements. Disclosure is not recognition.

**General Note for Fair Value Option:** Some of the items subject to the guidance in this Subtopic may qualify for application of the Fair Value Option Subsections of Subtopic 825-10. Those Subsections (see paragraph 825-10-05-5) address circumstances in which entities may choose, at specified election dates, to measure eligible items at fair value (the fair value option). See Section 825-10-15 for guidance on the scope of the Fair Value Option Subsections of the Financial Instruments Topic.

**General**

> **Legal Fees**

25-1 Legal fees and other direct costs incurred by a creditor to effect a **troubled debt restructuring** shall be included in expense when incurred.

> **Substitution or Addition of Debtors**

25-2 A troubled debt restructuring may involve substituting debt of another business entity, individual, or government entity for that of the troubled debtor or adding another debtor (for example, as a joint debtor). Government entities include, but are not limited to, states,
counties, townships, municipalities, school districts, authorities, and commissions. That kind of restructuring should be accounted for according to its substance. For example, a restructuring in which, after the restructuring, the substitute or additional debtor controls, is controlled by, or is under common control (as defined in paragraph 810-10-15-8) with the original debtor is an example of one that shall be accounted for by the creditor as prescribed in this Topic. This Topic shall also apply to a restructuring in which the substitute or additional debtor and original debtor are related after the restructuring by an agency, trust, or other relationship that in substance earmarks certain of the original debtor's funds or funds flows for the creditor although payments to the creditor may be made by the substitute or additional debtor. In contrast, a restructuring in which the substitute or additional debtor and the original debtor do not have any of the relationships described above after the restructuring shall be accounted for by the creditor according to the provisions of paragraphs 310-40-40-2 through 40-4.
310-40-30 Initial Measurement

**General Note:** The Initial Measurement Section provides guidance on the criteria and amounts used to measure a particular item at the date of initial recognition.

**General**

30-1  [Section not used]
310-40-35 Subsequent Measurement

**General Note:** The Subsequent Measurement Section provides guidance on an entity’s subsequent measurement and subsequent recognition of an item. Situations that may result in subsequent changes to carrying amount include impairment, fair value adjustments, depreciation and amortization, and so forth.

**General**

35-1 This Section addresses measurement issues related to the troubled debt restructuring of a loan, specifically:

a. Troubled Debt Restructuring

b. Modification of Terms

c. Partial Satisfaction of a Receivable

d. Impairment

e. Effective Interest Rate for a Restructured Loan.

> Troubled Debt Restructuring

35-2 A creditor shall account for a troubled debt restructuring according to the type of the restructuring as prescribed in the following paragraphs. Paragraphs 310-40-25-1 through 25-2;
310-40-35-7; 310-40-40-2 through 40-8, and 310-40-50-1 do not apply to a receivable that the creditor is accounting for at **fair value** (for example, a marketable **debt** security accounted for at fair value by a mutual fund). Estimated cash expected to be received less estimated costs expected to be incurred is not fair value.

35-3  [Paragraph Not Used]

35-4  See Subtopic 470-60 concerning the debtor accounting for troubled debt restructurings.

**> Modification of Terms**

35-5  A creditor in a troubled debt restructuring involving only a modification of terms of a receivable—that is, not involving receipt of assets (including an equity interest in the debtor)—shall account for the troubled debt restructuring in accordance with the provisions of this Topic.

**> Partial Satisfaction of a Receivable**

35-6  In a partial satisfaction of a receivable (see the following paragraph), the fair value of the assets received shall be used in all cases to avoid the need to allocate the fair value of the receivable between the part satisfied and the part still outstanding.

35-7  A troubled debt restructuring may involve receipt of assets (including an equity interest in the debtor) in partial satisfaction of a receivable and a modification of terms of the remaining receivable. Even if the stated terms of the remaining receivable, for example, the stated interest rate and the maturity date or dates, are not changed in connection with the receipt of assets (including an equity interest in the debtor), the restructuring shall be accounted for as prescribed by this paragraph. A creditor shall account for a troubled debt restructuring involving a partial satisfaction and modification of terms as prescribed in this Topic except that, first, the assets received shall be accounted for as prescribed in paragraphs 310-40-40-2 through 40-4 and the **recorded investment in the receivable** shall be reduced by the fair value less cost to sell of the assets received. If cash is received in a partial satisfaction of a receivable, the recorded investment in the receivable shall be reduced by the amount of cash received.

**> Impairment**

35-8  Paragraph 310-10-35-16 explains that a loan is impaired when, based on current information and events, it is **probable** that a creditor will be unable to collect all amounts due according to the contractual terms of the loan agreement. For a loan that has been restructured in a troubled debt restructuring, the contractual terms of the loan agreement refers to the contractual terms specified by the original loan agreement, not the contractual terms specified by the restructuring agreement. That paragraph explains that the related guidance does not specify how a creditor should determine that it is probable that it will be unable to collect all
amounts due according to the contractual terms of a loan. See paragraph 310-10-35-16 for guidance concerning the application of Topic 450 to contractual terms. See paragraph 310-10-35-17 for guidance concerning normal review procedures and insignificant delays and payment shortfalls.

35-9 Usually, a loan whose terms are modified in a troubled debt restructuring already will have been identified as impaired because the condition specified in the preceding paragraph will have existed before a formal restructuring. However, if a loan is excluded from the scope of this Subtopic under paragraph 310-10-35-13(a), a creditor may not have accounted for that loan in accordance with this Subtopic before the loan was restructured. The creditor shall apply the provisions of this Subtopic to that loan when it is restructured.

35-10 A loan restructured in a troubled debt restructuring is an impaired loan. It should not be accounted for as a new loan because a troubled debt restructuring is part of a creditor's ongoing effort to recover its investment in the original loan. A loan usually will have been identified as impaired because the conditions specified in paragraphs 310-10-35-16 through 35-17 will have existed before a formal restructuring.

35-11 The Impairment or Disposal of Long-Lived Assets Subsections of Subtopic 360-10 do not allow the lender to look-back to lending impairments measured and recognized under this Topic or Topic 450 for purposes of measuring the cumulative loss previously recognized in determining the gain to be recognized on the increase in fair value less cost to sell of a foreclosed property under paragraph 360-10-35-40.

> Effective Interest Rate for a Restructured Loan

35-12 The effective interest rate for a loan restructured in a troubled debt restructuring is based on the original contractual rate, not the rate specified in the restructuring agreement. It has been indicated that a troubled debt restructuring does not result in a new loan but rather represents part of a creditor's ongoing effort to recover its investment in the original loan. Therefore, the interest rate used to discount expected future cash flows on a restructured loan shall be the same interest rate used to discount expected future cash flows on an impaired loan.
310-40-40 Derecognition

**General Note:** The Derecognition Section provides guidance on determining whether and when an entity should remove an item from the financial statements. For example, the entity would derecognize an asset because it no longer has rights to the asset or it would derecognize a liability because it no longer has any obligation.

**General**

> **Substituted Debtors in a Troubled Debt Restructuring**

40-1 A creditor shall recognize a loss on the disposition of the original loan and record an asset for the *fair value* of the payments to be received from the purchaser. Under paragraphs 310-40-40-2 through 40-4, the loss would be measured as the amount by which the creditor's net investment in the loan exceeds the fair value of the assets received in full satisfaction of the debt. For example, in connection with a *troubled debt restructuring*, a debtor, with the creditor's approval, sells the collateral (real estate) on a contract for deed for a purchase price, the present value of which is less than the creditor's net investment in the related loan. The creditor does not release its lien on the property. The seller-debtor provides 100 percent financing for the third-party purchaser, with payment terms identical to the seller-debtor's obligation under the restructured terms. The third-party purchaser must make the monthly payments directly to the creditor and not to the seller-debtor. In this case, the sale of collateral and related requirement for the purchaser to make payments directly to the creditor warrants
the creditor's recognition of a loss related to the amount by which the net investment in the loan exceeds the fair value of the payments to be received from the purchaser.

> Receipt of Assets in Full Satisfaction of a Receivable

40-2 A creditor that receives from a debtor in full satisfaction of a receivable either or both of the following shall account for those assets (including an equity interest) at their fair value at the time of the restructuring:

a. Receivables from third parties, real estate, or other assets

b. Shares of stock or other evidence of an equity interest in the debtor.

40-3 A creditor that receives long-lived assets that will be sold from a debtor in full satisfaction of a receivable shall account for those assets at their fair value less cost to sell, as that term is used in paragraph 360-10-35-43. The excess of the recorded investment in the receivable satisfied over the fair value of assets received (less cost to sell, if required above) is a loss that shall be recognized. For purposes of this paragraph, losses, to the extent they are not offset against allowances for uncollectible amounts or other valuation accounts, shall be included in measuring net income for the period. Recorded investment in the receivable is used in paragraphs 310-40-25-1 through 25-2; 310-40-35-7; 310-40-40-2 through 40-8; and 310-40-50-1 instead of carrying amount of the receivable because the latter is net of an allowance for estimated uncollectible amounts or other valuation account, if any, while the former is not.

40-4 That guidance is not intended to preclude using the fair value of the receivable satisfied if more clearly evident than the fair value of the assets received in full satisfaction of a receivable.

40-5 After a troubled debt restructuring, a creditor shall account for assets received in satisfaction of a receivable the same as if the assets had been acquired for cash.

> Foreclosure

40-6 Except in the circumstances described in the following paragraph, a troubled debt restructuring that is in substance a repossession or foreclosure by the creditor, that is, the creditor receives physical possession of the debtor's assets regardless of whether formal foreclosure proceedings take place, or in which the creditor otherwise obtains one or more of the debtor's assets in place of all or part of the receivable, shall be accounted for according to the provisions of paragraphs 310-40-35-7; 310-40-40-2 through 40-4 and; if appropriate, 310-40-40-8.
40-6A The guidance in the following paragraph applies to initial measurement of a foreclosed property in a transaction having all of the following characteristics:

a. A sale of real estate was financed by the seller.

b. The buyer's initial investment was not sufficient for recognition of profit under the full accrual method.

c. The seller met the conditions of Subtopic 970-605 to record a sale and recognized profit on the installment or cost recovery methods.

d. Subsequently, the buyer defaulted on the mortgage to the seller.

e. The seller forecloses on the property.

f. At the time of foreclosure, fair value of the property is less than the seller's gross receivable but greater than the seller's net receivable, that is, the principal and interest receivable less the deferred profit on the sale and related allowances.
40-7  In a transaction having all of the characteristics set forth in the preceding paragraph, the foreclosed property shall be recorded at the lower of the net amount of the receivable or fair value of the property. The net receivable assumes that the accrual of interest income on the financing, if any, is appropriate under the circumstances. This Topic would be applied to a foreclosure related to a sale accounted for under the full accrual method, and if appropriate, the repossessed property would be recorded at its fair value. The Impairment or Disposal of Long-Lived Assets Subsections of 360-10 require a foreclosed asset that is newly acquired and that is classified as held for sale to be recognized at the lower of its carrying value or fair value less cost to sell.

> Sale of Assets from a Troubled Debt Restructuring

40-8  A receivable from the sale of assets previously obtained in a troubled debt restructuring shall be accounted for according to Subtopic 835-30 regardless of whether the assets were obtained in satisfaction (full or partial) of a receivable to which that Topic was not intended to apply. A difference, if any, between the amount of the new receivable and the carrying amount of the assets sold is a gain or loss on sale of assets.

> Cost Basis of Debt Security Received in a Restructuring

40-8A  The initial cost basis of a debt security of the original debtor received as part of a debt restructuring shall be the security’s fair value at the date of the restructuring. Any excess of the fair value of the security received over the net carrying amount of the loan shall be recorded as a recovery on the loan. Any excess of the net carrying amount of the loan over the fair value of the security received shall be recorded as a charge-off to the allowance for credit losses. Subsequent to the restructuring, the security received shall be accounted for according to the provisions of Topic 320.
40-9  A security received in a restructuring in settlement of a claim for only the past-due interest on a loan shall be measured at the security's fair value at the date of the restructuring and accounted for in a manner consistent with the entity's policy for recognizing cash received for past-due interest. Subsequent to the restructuring, the security received shall be accounted for according to the provisions of Topic 320.

> Cost Basis of a Long-Lived Asset Received in Full Satisfaction of a Receivable

40-10  A valuation allowance for a loan collateralized by a long-lived asset shall not be carried over as a separate element of the cost basis for purposes of accounting for the long-lived asset under Topic 360 after foreclosure.
**310-40-50 Disclosure**

Click here to link to 310-40-S50.

**General Note:** The Disclosure Section provides guidance regarding the disclosure in the notes to financial statements. In some cases, disclosure may relate to disclosure on the face of the financial statements.

**General**

> **Creditor Disclosure of Troubled Debt Restructurings**

**50-1** As of the date of each balance sheet presented, a creditor shall disclose, either in the body of the financial statements or in the accompanying notes, the amount of commitments, if any, to lend additional funds to debtors owing receivables whose terms have been modified in **troubled debt restructurings**.

**50-1A** For guidance on the disclosures about modifications of **financing receivables**, see paragraphs 310-10-50-31 through 50-34.

**50-2** Information about an impaired loan that has been restructured in a troubled debt restructuring involving a modification of terms need not be included in the disclosures required by paragraphs 310-10-50-15(a) and 310-10-50-15(c) in years after the restructuring if both of the following conditions exist:
a. The restructuring agreement specifies an interest rate equal to or greater than the rate that the creditor was willing to accept at the time of the restructuring for a new loan with comparable risk.

b. The loan is not impaired based on the terms specified by the restructuring agreement.

50-3 That exception shall be applied consistently for paragraph 310-10-50-15(a) and 310-10-50-15(c) to all loans restructured in a troubled debt restructuring that meet the criteria in the preceding paragraph.

50-4 Usually, a loan whose terms are modified in a troubled debt restructuring already will be identified as impaired. However, if the creditor has written down a loan and the measure of the restructured loan is equal to or greater than the recorded investment, no impairment would be recognized in accordance with this Topic. The creditor is required to disclose the amount of the write-down and the recorded investment in the year of the write-down but is not required to disclose the recorded investment in that loan in later years if the two criteria of paragraph 310-40-50-2 are met.

> Loan Restructured Into Two (or More) Loan Agreements

50-5 When a loan is restructured in a troubled debt restructuring into two (or more) loan agreements, the restructured loans shall be considered separately when assessing the applicability of the disclosures in paragraph 310-10-50-15 in years after the restructuring because they are legally distinct from the original loan. The creditor would continue to base its measure of loan impairment on the contractual terms specified by the original loan agreement in accordance with paragraphs 310-10-35-20 through 35-26 and 310-10-35-37.

> Summary of Scope of Disclosure Requirements

50-6 See paragraph 310-10-50-20 for a table that summarizes the scope of the disclosure requirements in paragraph 310-10-50-15.

50-7 [Paragraph Not Used]
310-40-55 Implementation Guidance and Illustrations

General Note: The Implementation Guidance and Illustrations Section contains implementation guidance and illustrations that are an integral part of the Subtopic. The implementation guidance and illustrations do not address all possible variations. Users must consider carefully the actual facts and circumstances in relation to the requirements of the Subtopic.

General

> Implementation Guidance

55-1 This Section provides guidance concerning the following aspects of troubled debt restructuring:

a. Classification of debt restructurings by debtors and creditors

b. Use of zero coupon bonds in a troubled debt restructuring.

Pending Content:


This Section provides guidance concerning the following aspects of troubled debt restructuring:
a. Classification of debt restructurings by debtors and creditors

b. Use of zero coupon bonds in a troubled debt restructuring.

c. Physical possession of residential real estate property collateralizing a consumer mortgage loan.

55-2 Accounting for restructurings of receivables related to consumer finance activities or to certain residential properties in troubled situations shall in general be the same as for other troubled debt restructurings. However, grouping like items or using statistical measures may be appropriate for receivables that are not individually material.

>> Classification of Debt Restructurings by Debtors and Creditors

55-3 This Topic establishes tests for applicability that are not symmetrical as between the debtor and the creditor when the debtor's carrying amount and the creditor's recorded investment differ (as noted in paragraph 310-40-15-3). This condition is illustrated in the following example.

55-4 Creditor A makes a $10,000 interest-bearing loan to Debtor X and, when Debtor X later encounters financial difficulties, sells its receivable from Debtor X to Creditor B for $4,000 on a nonrecourse basis. Following the sale, the carrying amount of the loan payable by Debtor X would still be $10,000 and the recorded investment of the loan by Creditor B would be $4,000. If Debtor X subsequently transfers to Creditor B assets with a fair value of $5,500 in full settlement of the loan, that transaction would be a troubled debt restructuring for Debtor X because the fair value of the assets is less than the carrying amount of the loan, whereas Creditor B would not have a troubled debt restructuring because the fair value of the assets received exceeds its recorded investment in the loan.

55-5 [Paragraph Not Used]

>> Use of Zero Coupon Bonds in a Troubled Debt Restructuring

55-6 This implementation guidance addresses the following circumstance: In connection with a troubled debt restructuring, a debtor, with the creditor's approval, sells the collateral, which has a fair value less than the creditor's net investment in the related loan, and invests the proceeds in a series of zero coupon bonds that are received and held by the creditor as collateral for the newly restructured loan. The bonds will mature at a value equal to each year's
debt service requirement under the newly restructured terms. Specifically, the issue is whether the sale of collateral, the purchase of the zero coupon bonds, and their receipt by the creditor as collateral require the creditor to recognize a loss equal to the amount by which the net investment in the loan exceeds the fair value of the zero coupon bonds.

55-7 The excess of the **recorded investment in the receivable** satisfied over the fair value less cost to sell (as that term is used in paragraph 360-10-35-43) of assets received is a loss to be recognized.

55-8 Such losses, to the extent they are not offset against allowances for uncollectible accounts or other valuation accounts, shall be included in measuring net income for the period.

55-9 However, if the creditor has the right to sell or pledge the collateral:

   a. Paragraph 860-30-45-1 requires that the debtor reclassify the collateral and report it in its statement of financial position separately from other assets not so encumbered.

   b. Paragraph 860-30-50-1A requires, in part, that the creditor disclose the fair value of that collateral and of the portion that it has sold or repledged.

55-10 If the creditor does not have the right to sell or pledge the collateral, paragraph 860-30-50-1A requires that the debtor disclose information about that collateral.

>> **Physical Possession of Residential Real Estate Property Collateralizing a Consumer Mortgage Loan**

55-10A

<table>
<thead>
<tr>
<th>Pending Content:</th>
</tr>
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<tbody>
<tr>
<td><strong>Transition Date:</strong> *(P) December 15, 2014; (N) December 15, 2014</td>
</tr>
</tbody>
</table>

A creditor is considered to have received physical possession (resulting from an in substance repossession or foreclosure) of residential real estate property collateralizing a consumer mortgage loan only upon the occurrence of either of the following:

   a. The creditor obtains legal title to the residential real estate property upon completion of a foreclosure. A creditor may obtain legal title to the residential real estate property even if the borrower has redemption rights that provide the borrower with a legal right for a period of time after a foreclosure to reclaim the real estate property by paying certain amounts specified by law.

   b. The borrower conveys all interest in the residential real estate property to the creditor to satisfy the loan through completion of a deed in lieu of foreclosure or through a similar legal
agreement. The deed in lieu of foreclosure or similar legal agreement is completed when agreed-upon terms and conditions have been satisfied by both the borrower and the creditor.

> Illustrations

>> Example 1: Fair Value in Excess of the Seller's Net Receivable

55-11 This Example illustrates the guidance in paragraph 310-40-40-7.

<table>
<thead>
<tr>
<th>Transition Date: (P) December 15, 2016; (N) December 15, 2018</th>
<th>Transition Guidance: 606-10-65-1</th>
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</table>

**Editor's Note:** Paragraph 310-40-55-11 will be superseded upon transition, together with its heading: Example 1: Fair Value in Excess of the Seller's Net Receivable

[Paragraph superseded by Accounting Standards Update No. 2014-09]

55-12 In this Example, the foreclosed property would be recorded at the amount of the net receivable of $63 and $50, respectively, as illustrated in the following table.

<table>
<thead>
<tr>
<th>Installment Method</th>
<th>Cost Recovery Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original sale:</td>
<td></td>
</tr>
<tr>
<td>Seller financing</td>
<td>$ 90</td>
</tr>
<tr>
<td>Buyer's initial investment (a)</td>
<td>10</td>
</tr>
<tr>
<td>Sales value</td>
<td>$ 100</td>
</tr>
<tr>
<td>Sales value</td>
<td>$ 100</td>
</tr>
<tr>
<td>Cost</td>
<td>(60)</td>
</tr>
<tr>
<td>Gain</td>
<td>40</td>
</tr>
<tr>
<td>Amount recognized</td>
<td>(4)</td>
</tr>
<tr>
<td>Deferred gain</td>
<td>$ 36</td>
</tr>
<tr>
<td></td>
<td>$ 100</td>
</tr>
<tr>
<td>Foreclosure at the end of Year 1:</td>
<td></td>
</tr>
<tr>
<td>Original note principal balance</td>
<td>$ 90</td>
</tr>
<tr>
<td>Interest accrued for Year 1 at 10%</td>
<td>9</td>
</tr>
<tr>
<td>Gross receivable at foreclosure</td>
<td>99</td>
</tr>
<tr>
<td>Less deferred profit</td>
<td>(36)</td>
</tr>
<tr>
<td>Net receivable</td>
<td>$ 63</td>
</tr>
<tr>
<td>Fair value of property at foreclosure</td>
<td>$ 80</td>
</tr>
<tr>
<td></td>
<td>$ 100</td>
</tr>
</tbody>
</table>

(a) Initial investment is inadequate for full accrual method.
(b) For purposes of this Example, assume that accrual of interest is inappropriate.
>> **Example 2: Fair Value Less Cost to Sell Less Than the Seller's Net Receivable**

55-13 This Example illustrates the guidance in Subtopic 310-40. The Example has the following assumptions:

a. At December 31, 2002, a lender’s net real estate loan receivable was $90,000. The net receivable was comprised of (a) $100,000 principal balance and (b) $10,000 allowance for doubtful accounts due to the deterioration of the borrower's credit worthiness; the allowance was based on the underlying value of the real estate since the loan is collateral dependent.

b. Between December 31, 2002 and March 31, 2003, the borrower did not make principal payments. The lender determined that foreclosure was probable on March 31, 2003; the real estate's estimated fair value was $75,000. The estimated costs to sell were $4,000.

c. On May 1, 2003, the lender foreclosed on the real estate; the real estate's estimated fair value and costs to sell remained unchanged from March 31, 2003. The real estate was classified as held for sale under Topic 360, subsequent to foreclosure.

d. At September 30, 2003, the fair value of the property was $65,000. The estimated costs to sell were $3,000.

e. At March 31, 2004, the fair value of the property was $80,000. The estimated costs to sell were $5,000.

55-14 Paragraphs 310-10-35-16 through 35-17 states that a loan is impaired when, based on current information and events, it is probable that a creditor will be unable to collect all amounts due according to the contractual terms of the loan agreement. The lender determined that foreclosure is probable at March 31, 2003, and should measure the impairment based on the fair value of the collateral less estimated costs to sell since the selling costs reduce the cash flows available to satisfy the loan as prescribed under paragraphs 310-10-35-22, 310-10-35-24, and 310-10-35-32. Accordingly, the lender should recognize a loan loss of $19,000 measured as the difference between the carrying value ($90,000) and the fair value less cost to sell ($71,000). Upon foreclosure on May 1, 2003, the application of paragraph 310-40-40-5...
results in the measurement of a new cost basis (also $71,000) for long-lived assets received in full satisfaction of a receivable.

55-15 The fair value less cost to sell decrease to $62,000 as of September 30, 2003, requires the lender to recognize an impairment of $9,000 ($71,000 - $62,000) under Topic 360. While the long-lived asset's fair value less cost to sell increased $13,000 ($75,000 - $62,000) as of March 31, 2004, the lender's gain recognition is limited to the cumulative losses recognized and measured under that Topic, or $9,000. The $19,000 of loan impairment losses are excluded from the measurement of cumulative losses under that Topic.

>> Example 3: Commercial Real Estate Debt with Balloon Payment

55-16 A restructuring that results in only a delay in payment that is insignificant is not a concession. This Example illustrates the guidance in paragraphs 310-40-15-17 through 15-18 for determining whether a delay in payment is insignificant. This Example assumes that the debtor is experiencing financial difficulties and is not intended to illustrate the determination of whether a debtor is experiencing financial difficulties.

55-17 A creditor originates a seven-year loan to a debtor. The debt:

a. Has a fixed interest rate

b. Is collateralized by commercial real estate

c. Requires monthly interest payments

d. Requires a balloon principal payment at maturity.

55-18 At origination, the debtor expects to repay the principal by refinancing the debt with the real estate held as collateral. That is, the collateral is the primary source of payment of the debt’s principal balance, whether through a refinancing of the debt or a sale of the property. However, before maturity, the fair value of the collateral was less than the principal amount due at maturity, and as a result of market conditions, the debtor is unable to refinance the debt. The debtor plans to sell the property to repay the debt and requests an extension of the debt’s maturity date to allow time to liquidate the property. In response to the debtor’s financial difficulties, the creditor grants the debtor a three-month extension of the debt maturity date. At the time that this extension was granted, the debtor had not yet identified a buyer for the collateral.

55-19 The restructuring results in a delay in payment that is not insignificant. Although the delay in timing of payment is insignificant (relative to the frequency of payments due, the debt’s original contractual maturity, and the debt’s original expected duration), the creditor expects a
significant shortfall in cash flows relative to the contractual amount due when the property is sold because the property is the sole source of repayment.

>> Example 4: Residential Mortgage Debt—Temporary Payment Deferral

55-20 A restructuring that results in only a delay in payment that is insignificant is not a concession. This Example illustrates the guidance in paragraphs 310-40-15-17 through 15-18 for determining whether a delay in payment is insignificant. This Example assumes that the debtor is experiencing financial difficulties and is not intended to illustrate the determination of whether a debtor is experiencing financial difficulties.

55-21 A debtor obtains a 30-year mortgage loan that requires monthly principal and interest payments. In year 4, the debtor experiences financial difficulties and misses two payments. On the basis of the debtor’s financial hardship, the debtor and the creditor agree on a forbearance arrangement and repayment plan. Under the terms of the forbearance arrangement and repayment plan, the creditor agrees not to take any foreclosure action if the debtor increases its next four monthly payments such that each payment includes one fourth of the delinquent amount plus interest. The agreement does not result in the creditor charging the debtor interest on past due interest. At the end of the forbearance arrangement, the debtor will:

   a. Have repaid all past due amounts

   b. Be considered current in relation to the debt's original terms

   c. Have resumed making monthly payments set out under the debt's original terms.

55-22 The restructuring results in a delay in payment that is insignificant. At the time of the forbearance arrangement, the creditor expects to collect all amounts due for the periods of delay. Furthermore, the length of delay resulting from the forbearance arrangement is considered insignificant in relation to the frequency of payments due, the debt's original contractual maturity, and the debt's original expected duration.

>> Example 5: Commercial Line of Credit—Short-Term Extension before the Finalization of Renegotiated Terms

55-23 A restructuring that results in only a delay in payment that is insignificant is not a concession. This Example illustrates the guidance in paragraphs 310-40-15-17 through 15-18 for determining whether a delay in payment is insignificant. This Example assumes that the
debtor is experiencing financial difficulties and is not intended to illustrate the determination of
whether a debtor is experiencing financial difficulties.

55-24  A commercial debtor has a revolving line of credit with a creditor with an original term of
five years. The terms of the line of credit require interest payments every 90 days on the
average daily balance of the line. As the line of credit nears maturity, the debtor and creditor
begin renegotiating the terms of a new line of credit. Because of a temporary cash shortfall due
to a delay in collections from two key customers, the debtor is unable to make the final interest
payment before the two parties finish renegotiating the terms of the new line of credit. The
terms of the renegotiated line of credit are expected to be similar to the current line of credit,
which are comparable to terms available to debtors with similar risk characteristics. The
creditor expects the debtor to recover quickly from this temporary cash flow shortage.
Accordingly, the creditor extends a 3-month payment deferral by adding the missed interest
payment to the balance of the line and requiring the debtor to make its first interest payment 90
days after the new line of credit is finalized, or 180 days after the due date of the missed
interest payment.

55-25  The restructuring results in a delay in payment that is insignificant. Although the debtor
is unable to make the contractual payment at the time it is due, thereby resulting in the three-
month deferral, the creditor still expects to collect all amounts due, including interest at the
contractual rate. Furthermore, the delay in timing of payment represents only one payment
cycle under the terms of the line, which is insignificant relative to the frequency of payments
due, the debt’s original contractual maturity, and the debt’s original expected duration.
310-40-65 Transition and Open Effective Date Information

General Note: The Transition Section contains a description of the required transition provisions and a list of the related paragraphs that have been modified. This Section will retain the transition content during the transition period. After the transition period, the transition content will be removed yet will be available in archived versions of the Section.

General


> Transition Related to Accounting Standards Update No. 2014-04, Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure
65-2 The following represents the transition and effective date information related to Accounting Standards Update No. 2014-04, Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure:

a. The pending content that links to this paragraph shall be effective as follows:

1. For public business entities, for annual periods, and interim periods within those annual periods, beginning after December 15, 2014.

2. For entities that are not public business entities, for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015.

b. An entity shall apply the pending content that links to this paragraph on either a prospective basis or a modified retrospective basis as follows:

1. For prospective transition, a reporting entity shall apply the pending content that links to this paragraph to all instances of an entity receiving physical possession of residential real estate property collateralized by consumer mortgage loans that occur after the date of adoption.

2. For modified retrospective transition, a reporting entity shall adopt by means of a cumulative-effect adjustment to residential consumer mortgage loans and foreclosed residential real estate properties existing as of the beginning of the annual period for which the pending content that links to this paragraph is effective. Assets reclassified from real estate to loans as a result of adopting the pending content that links to this paragraph shall be based on the carrying value of the real estate at the date of adoption. Assets reclassified from loans to real estate as a result of adopting the pending content that links to this paragraph shall be based on the lower of the net amount of loan receivable or the real estate’s fair value less costs to sell at the date of adoption.

c. Earlier adoption of the pending content that links to this paragraph is permitted.

d. An entity shall provide the disclosures in paragraphs 250-10-50-1 through 50-3 in the period the entity adopts the pending content that links to this paragraph.
310-40-75 XBRL Elements

Click here to link to 310-40-S75.

General Note: This section contains a list of XBRL elements that reference paragraphs in this Subtopic. For additional details regarding changes to the development version of the US GAAP Financial Reporting Taxonomy, refer to the FASB taxonomy review and comment system on the FASB web site.

XBRL Links to Codification

Financing Receivable, Modifications, Recorded Investment (Revision Date: 2011-07-28)

Element Name: FinancingReceivableModificationsRecordedInvestment

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-4

Financing Receivables, Impaired, Troubled Debt Restructuring, Write-down

Element Name: FinancingReceivablesImpairedTroubledDebtRestructuringWriteDown

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-4
Loans and Leases Receivable, Commercial, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableCommercialAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Loans and Leases Receivable, Consumer, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableConsumerAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-3

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 310 Receivables > 10 Overall > 50 Disclosure > General, 50-11B (g)
- 310 Receivables > 10 Overall > S99 SEC Materials > General, S99-4
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.7 (d))

Loans and Leases Receivable, Foreign, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableForeignAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
Loans and Leases Receivable, Impaired, Commitment to Lend

Element Name: LoansAndLeasesReceivableImpairedCommitmentToLend

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-1

Loans and Leases Receivable, Impaired, Interest Lost on Nonaccrual Loans (Revision Date: 2012-11-05)

Element Name: LoansAndLeasesReceivableImpairedInterestLostOnNonaccrualLoans

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-1

Loans and Leases Receivable, Impaired, Troubled Debt, Interest Income (Revision Date: 2013-10-21)

Element Name: LoansAndLeasesReceivableImpairedTroubledDebtInterestIncome

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-1

Loans and Leases Receivable, Other, Allowance (Revision Date: 2013-11-25)

Element Name: LoansAndLeasesReceivableOtherAllowance

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-2
Loans and Leases Receivable, Troubled Debt Restructuring Policy [Policy Text Block] (Revision Date: 2013-11-22)

Element Name: LoansAndLeasesReceivableTroubledDebtRestructuringPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 50 Disclosure > General, 50-1

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3

Real Estate Owned [Text Block]

Element Name: RealEstateOwnedTextBlock

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-3
• 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 310 Receivables > 10 Overall > 45 Other Presentation > General, 45-3
• 360 Property, Plant, and Equipment > 10 Overall > 35 Subsequent Measurement > Impairment or Disposal of Long-Lived Assets, 35-17
• 360 Property, Plant, and Equipment > 10 Overall > 35 Subsequent Measurement > Impairment or Disposal of Long-Lived Assets, 35-43
• 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.10 (4))
Element Name: RealEstateOwnedBasisUsedToDetermineCarryingAmount

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-3
- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-4

This XBRL element references the following paragraph(s) in other Subtopic(s):

- 360 Property, Plant, and Equipment > 10 Overall > 35 Subsequent Measurement > Impairment or Disposal of Long-Lived Assets, 35-43
- 942 Financial Services—Depository and Lending > 210 Balance Sheet > S99 SEC Materials > General, S99-1 (SX 210.9-03.10 (4))

Receipt of Assets in Satisfaction of Debt [Member] (Revision Date: 2012-10-26)

Element Name: ReceiptOfAssetsInSatisfactionOfDebtMember

This XBRL element references the following paragraph(s) in this Subtopic:

- 310 Receivables > 40 Troubled Debt Restructurings by Creditors > 40 Derecognition > General, 40-2
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Securities and Exchange Commission (SEC)

310-40-S50 Disclosure

Click here to link to 310-40-50.

**General Note:** The Disclosure Section provides guidance regarding the disclosure in the notes to financial statements. In some cases, disclosure may relate to disclosure on the face of the financial statements.

**General**

> Impaired Loans Restructured in a Troubled Debt Restructuring

S50-1 See paragraph 310-40-S99-1, SEC Observer Comment: Applicability of the Disclosures Required by Topic 310 when a Loan is Restructured in a Troubled Debt Restructuring into Two or More Loans for SEC Staff views on disclosure related to the impact of restructuring a loan in a troubled debt restructuring into two (or more) loan agreements.
General Note: This section contains a list of XBRL elements that reference paragraphs in this Subtopic. For additional details regarding changes to the development version of the US GAAP Financial Reporting Taxonomy, refer to the FASB taxonomy review and comment system on the FASB web site.

XBRL Links to Codification

Loans and Leases Receivable, Troubled Debt Restructuring Policy

Element Name: LoansAndLeases receivable troubledDebt RestructuringPolicy

This XBRL element references the following paragraph(s) in this Subtopic:

• 310 Receivables > 40 Troubled Debt Restructurings by Creditors

This XBRL element references the following paragraph(s) in other Subtopic(s):

• 235 Notes to Financial Statements > 10 Overall > 50 Disclosure > General, 50-3