



## NC Commissioner of Banks

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### Instructions for completion of:

## REVISED NC FORM 29TC – TRUST ASSETS UNDER MANAGEMENT, STATE TRUST COMPANY

**Note:** Revised NC Form 29TC is to be completed quarterly.

The information reported in Revised NC Form 29TC will not be made available to the public on an individual institution basis.

### Fiduciary and Related Assets

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

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

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

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

Securities borrowing/lending transactions should be reflected as sales or as secured borrowings according to FASB Statement No. 140. A transferee ("borrower") of securities generally is required to provide "collateral" to the transferor ("lender") of securities. When such transactions do not qualify as sales, securities "lenders" and "borrowers" should account for the transactions as secured borrowings in which cash (or securities that the holder is permitted by contract or custom to sell or repledge) received as "collateral" by the securities "lender" is considered the amount borrowed and the securities "loaned" are considered pledged against the amount borrowed. For purposes of this form, securities held in fiduciary accounts that are "loaned" in securities lending transactions (that are accounted for as secured borrowings) should be reported as an asset of the fiduciary account that "loaned" the securities, but the "collateral" received should not also be reported as an asset of this fiduciary account.

## **Fiduciary and Related Assets – Continued**

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

### **Managed Assets – Column A**

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

Therefore, whether an account where investment discretion has been delegated to a registered investment adviser, whether affiliated or unaffiliated with the reporting institution, should be reported as a managed account depends on whether the delegation of investment authority to the registered investment adviser was made pursuant to the exercise of investment discretion by the reporting institution. If so, the account is deemed to be a managed account by the reporting institution. Otherwise, the account would be a non-managed account for purposes of Revised NC Form 29TC.

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

### **Non-Managed Assets – Column B**

Report the total market value of assets held in non-managed fiduciary accounts. An account should be categorized as non-managed if the institution does not have investment discretion. Those accounts for which the institution provides a menu of investment options but the ultimate selection authority remains with the account holder or an external manager should be categorized as non-managed. For example, an institution that offers a choice of sweep vehicles is not necessarily exercising investment discretion. The process of narrowing investment options from a range of alternatives does not create a managed fiduciary account for the purposes of this form. For example, a 401(k) employee benefit plan where the participants select investments from a list of investment options should be reported as non-managed for the purposes of this form.

### **Number of Managed Accounts – Column C**

Report the total number of managed fiduciary accounts.

### **Number of Non-Managed Accounts – Column D**

Report the total number of non-managed fiduciary accounts.

## **Item No.    Caption and Instructions**

- 1            Personal trust and agency accounts.** Report the market value and number of accounts for all testamentary trusts, revocable and irrevocable living trusts, other personal trusts, and non-managed personal agency accounts. Include accounts in which the institution serves as executor, administrator, guardian, or conservator. Exclude personal investment management and investment advisory agency accounts, which should be reported in Revised NC Form 29TC, item 3. Also exclude Keogh Plan Accounts, Individual Retirement Accounts (IRAs), Health Savings Accounts, and other pension or profit-sharing plans for self-employed individuals, which should be reported in Revised NC Form 29TC, item 2. Personal accounts that are solely custody or safekeeping should be reported in item 7 of this form.

**2 Employee benefit and retirement-related trust and agency accounts:**

**2.a Employee benefit – defined contribution.** Report the market value and number of accounts for all employee benefit defined contribution accounts in which the institution serves as either trustee or agent. Include 401(k) plans, 403(b) plans, profit-sharing plans, money purchase plans, target benefit plans, stock bonus plans, employee stock ownership plans, and thrift savings plans. Employee benefit accounts for which the institution serves as a directed trustee should be reported as non-managed. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in Revised NC Form 29TC, item 7.

**2.b Employee benefit – defined benefit.** Report the market value and number of accounts for all employee benefit defined benefit plans in which the institution serves as either trustee or agent. Employee benefit accounts for which the institution serves as a directed trustee should be reported as non-managed. The number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Employee benefit accounts that are solely custody and safekeeping accounts should be reported in Revised NC Form 29TC, item 7.

**2.c Other employee benefit and retirement-related accounts.** Report the market value and number of accounts for all other employee benefit and retirement-related fiduciary accounts in which the institution serves as trustee or agent. Include Keogh Plan accounts, Individual Retirement Accounts, Health Savings Accounts, Medical Savings Accounts, and other pension or profit-sharing plans for self-employed individuals. Also report the market value of assets and the number of accounts for employee welfare benefit trusts and agencies. Employee welfare benefit plans include plans, funds, or programs that provide medical, surgical, or hospital care benefits; benefits in the event of sickness, accident, disability, death, or unemployment; vacation benefits; apprenticeship or other training programs; day care centers; scholarship funds; or prepaid legal services. Employee benefit accounts for which the institution serves as a directed trustee should be reported as non-managed. The number of accounts reported should reflect the total number of plans or accounts administered rather than the number of plan participants. Other retirement accounts that are solely custody and safekeeping accounts should be reported in Revised NC Form 29TC, item 7. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts should also be reported in Revised NC Form 29TC, item 8.

**3 Investment management and investment advisory agency accounts.** Report the market value and number of accounts for all individual and institutional investment management and investment advisory agency accounts that are administered within the fiduciary area of the institution. Investment management accounts are those agency accounts for which the institution has investment discretion; however, title to the assets remains with the client. Include accounts for which the institution serves as a sub-advisor. Investment advisory accounts are those agency accounts for which the institution provides investment advice for a fee, but for which some other person is responsible for investment decisions. Investment management agency accounts should be reported as managed. Investment advisory agency accounts should be reported as non-managed. Investment management and investment advisory agency accounts maintained for foundations and endowments should be reported in Revised NC Form 29TC, item 4.

**4 Foundation and endowment trust and agency accounts.** Report the market value and number of accounts for all foundations and endowments (whether established by individuals, families, corporations, or other entities) that file any version of Form 990 with the Internal Revenue Service and for which the institution serves as either trustee or agent. Also include those foundations and endowments that do not file Form 990, 990EZ, or 990PF solely because the organization's gross receipts or total assets fall below reporting thresholds, but would otherwise be required to file. Foundations and endowments established by churches, which are exempt from filing Form 990, should also be included in this item. Employee benefit accounts maintained for a foundation's or endowment's employees should be reported in Revised NC Form 29TC, item 2. Accounts that are solely custodial or safekeeping should be reported in Revised NC Form 29TC, item 7.

**5 Other fiduciary accounts.** Report the market value and number of accounts for all other trusts and

agencies not reported in Revised NC Form 29TC, items 1 through 4. Custody and safekeeping accounts should be reported in Revised NC Form 29TC, item 7.

- 6** **Total fiduciary accounts.** Report the sum of items 1 through 5.
- 7** **Custody and safekeeping accounts.** Report the market value and number of accounts for all personal and institutional custody and safekeeping accounts held by the institution. Safekeeping and custody accounts are a type of agency account in which the reporting institution performs one or more specified agency functions but the institution is not a trustee and also is not responsible for managing the asset selection for account assets. These agency services may include holding assets, processing income and redemptions, and other recordkeeping and customer reporting services. For employee benefit custody or safekeeping accounts, the number of accounts reported should reflect the total number of plans administered rather than the number of plan participants. Include accounts in which the institution serves in a sub-custodian capacity. For example, where one institution contracts with another for custody services, both institutions should report the accounts in their respective capacity. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts should also be reported in Revised NC Form 29TC, item 8.

Accounts in which the institution serves as trustee or in an agency capacity in addition to being custodian should be reported in the category of the primary relationship. For example, personal trust accounts in which the institution also serves as custodian should be reported as personal trust accounts and not as custodian accounts. An institution should report an account only once in Revised NC Form 29TC, items 1 through 5 and 7.

- 8** **Individual Retirement Accounts and other similar accounts.** Report the market value and number of Individual Retirement Accounts, Health Savings Accounts, and other similar accounts included in Revised NC Form 29TC, items 2.c and 7. Other similar accounts include Roth IRAs, Coverdell Education Savings Accounts, and Archer Medical Savings Accounts. Exclude Keogh Plan accounts.

### **Fiduciary and Related Services Income**

The following income categories correspond to the fiduciary asset categories described in Revised NC Form 29TC, items 1 through 7, above. For a detailed definition of the categories, please refer to the corresponding account descriptions. Income and expenses should be reported on an accrual basis. Institutions may report income and expense accounts on a cash basis if the results would not materially differ from those obtained using an accrual basis.

#### **Item No. Caption and Instructions**

- 9** **Personal trust and agency accounts.** Report gross income generated from personal trust and agency accounts as defined for item 1 of this form.
- 10** **Employee benefit and retirement-related trust and agency accounts:**
- 10.a** **Employee benefit – defined contribution.** Report gross income generated from defined contribution employee benefit trust and agency accounts as defined for item 2.a of this form.
- 10.b** **Employee benefit – defined benefit.** Report gross income generated from defined benefit employee benefit trust and agency accounts as defined for item 2.b of this form.
- 10.c** **Other employee benefit and retirement-related accounts.** Report gross income generated from other employee benefit and retirement-related accounts as defined for item 2.c of this form.
- 11** **Investment management and investment advisory agency accounts.** Report gross income generated from investment management and investment advisory agency accounts as defined for item 3 of this form. Also include income generated from investment advisory activities when the assets are not held by the institution.

- 12 **Foundation and endowment trust and agency accounts.** Report gross income generated from foundation and endowment trust and agency accounts as defined for item 4 of this form.
- 13 **Other fiduciary accounts.** Report gross income generated from other trust and agency accounts as defined for item 5 of this form.
- 14 **Custody and safekeeping accounts.** Report gross income generated from custody and safekeeping agency accounts as defined for item 7 of this form.
- 15 **Other fiduciary and related services income.** Report all other gross fiduciary related income that cannot properly be reported in Revised NC Form 29TC, items 9 through item 14, above. Include income received from others (including affiliates) for fiduciary and related services provided by the institution. Income received from investment advisory services in which the account assets are held in a custody or safekeeping account at the reporting institution should be reported in item 11 of this form. Also include net income generated from securities lending activities (i.e., after broker rebates and income paid to lending accounts). Include income from custodial activities for land trusts and mortgage-backed securities. Exclude allocations of income to the trust company from other areas of the institution.
- 16 **Total gross fiduciary and related services income.** Report the sum of items 9 through 15.
- 17 **Less: Expenses.** Report total direct and indirect expenses attributable to the fiduciary and related services reported in this form. Include salaries, wages, bonuses, incentive pay, and employee benefits for employees assigned to reportable activities. If only a portion of their time is allocated to reportable activities, report that proportional share of their salaries and employee benefits. Include direct expenses related to the use of premises, furniture, fixtures and equipment, as well as depreciation/amortization, ordinary repairs and maintenance, service or maintenance contracts, utilities, lease or rental payments, insurance coverage, and real estate and other property taxes if they are directly chargeable to the reportable activities. Income taxes attributable to reportable activity earnings should not be included. Also exclude settlements, surcharges, and other losses, which are to be reported in Revised NC Form 29TC, item 18.
- Include indirect expenses charged to the department or function offering reportable activities by other departments or functions of the institution as reflected in the institution's internal management accounting system. Include proportional shares of corporate expenses that cannot be directly charged to particular departments or functions. Examples of indirect expenses include such items as audit and examination fees, marketing, charitable contributions, customer parking, holding company overhead, proportional share of building rent or depreciation, utilities, real estate taxes, insurance, human resources, corporate planning, and corporate financial staff. Reporting methods for indirect expenses should remain consistent from period to period.
- 18 **Less: Net losses from fiduciary and related services.** Report net losses resulting from fiduciary and related services. Net losses are gross losses less recoveries. Gross losses include settlements, surcharges, and other losses that are realized in the reporting period attributable to the fiduciary and related services. Recoveries should include those that are attributable to prior and current period losses. This item must equal Revised NC Form 29TC, Memorandum item 3.e, sum of columns A and B minus column C. For further information, see the instructions to Revised NC Form 29TC, Memorandum item 3.
- 19 **Net fiduciary and related services income.** Report the total from item 16 less the amount reported in item 17 and item 18.

## Memoranda

### Item No. Caption and Instructions

#### **1 Managed assets held in fiduciary accounts.**

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

***Column A, Personal Trust and Agency and Investment Management/Advisory Agency Accounts:*** Report the market value of managed assets held in (a) personal trust and agency accounts as defined for item 1 of this form and (b) investment management agency accounts as defined for item 3 of this form.

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

***Column C, All Other Accounts:*** Report the market value of managed assets held in (a) foundation and endowment trust and agency accounts as defined for item 4 of this form and (b) other fiduciary accounts as defined for item 5 of this form.

Report in the appropriate column and in the appropriate subitem the market value of all managed assets held in the fiduciary accounts included in Revised NC Form 29TC, items 1 through 5, column A. For units in common trust funds and collective investment funds that are held by a managed fiduciary account, report the market value of the units in Revised NC Form 29TC, Memorandum item 1.h. Do not allocate the underlying assets of each common trust fund and collective investment fund attributable to managed accounts to the individual subitems for the various types of assets reported in Revised NC Form 29TC, Memorandum item 1.

Securities held in fiduciary accounts that are "loaned" in securities lending transactions (that are accounted for as secured borrowings) should be reported as an asset of the fiduciary account that "loaned" the securities, but the "collateral" received should not also be reported as an asset of this fiduciary account.

- 1.a Noninterest-bearing deposits.** Report all noninterest-bearing deposits. Report noninterest-bearing deposits of both principal and income cash.
- 1.b Interest-bearing deposits.** Report all interest-bearing savings and time deposits. Include NOW accounts, MMDA accounts, "BICs" (bank investment contracts) that are insured by the FDIC, and certificates of deposit. Report interest-bearing deposits of both principal and income cash.
- 1.c U.S. Treasury and U.S. Government agency obligations.** Report all securities of and/or loans to the U.S. Government and U.S. Government corporations and agencies. Include certificates or other obligations, however named, that represent pass-through participations in pools of real estate loans when the participation instruments: (1) are issued by FHA-approved mortgagees and guaranteed by the Government National Mortgage Association, or (2) are issued, insured, or guaranteed by a U.S. Government agency or corporation (e.g., the Federal Home Loan Mortgage Corporation's Mortgage Participation Certificates). Collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) issued by the Federal National Mortgage Association (FNMA) ("Fannie Mae") and the Federal Home Loan Mortgage Corporation (FHLMC) ("Freddie Mac") should be included.
- 1.d State, county, and municipal obligations.** Report all short- and long-term obligations of state and local governments, and political subdivisions of the United States. Include obligations of U.S. territories and insular possessions and their political subdivisions and all Federal income tax-exempt obligations of authorities such as local housing and industrial development authorities that derive their tax-exempt status from relationships with State or local governments. Tax-exempt money market mutual funds should be reported with money market mutual funds in Revised NC Form 29TC, Memorandum item 1.e.

- 1.e** **Money market mutual funds.** Report all holdings of mutual funds registered under the Investment Company Act of 1940 that attempt to maintain net asset values at \$1.00 per share. Include taxable and tax-exempt money market mutual funds. Exclude short-term collective investment funds.
- 1.f** **Equity mutual funds.** Report all holdings of mutual funds registered under the Investment Company Act of 1940, exchange traded funds (ETFs), and unit investment trusts (UITs) that invest primarily in equity securities. For purposes of Memorandum item 1, institutions should categorize these investments on the basis of either the fund's investment objective as stated in its prospectus or the fund's classification by a company that tracks information on these funds such as Morningstar and Lipper. An institution's methodology for categorizing mutual fund, ETF, and UIT investments should be consistently applied.
- 1.g** **Other mutual funds.** Report all holdings of all other mutual funds registered under the Investment Company Act of 1940, ETFs, and UITs. For purposes of Memorandum item 1, institutions should categorize these investments on the basis of either the fund's investment objective as stated in its prospectus or the fund's classification by a company that tracks information on these funds such as Morningstar and Lipper. An institution's methodology for categorizing mutual fund, ETF, and UIT investments should be consistently applied.
- 1.h** **Common trust funds and collective investment funds.** Report all holdings of all common trust funds and collective investment funds. Common trust funds and collective investment funds are funds that trust companies are authorized to administer by Section 9.18 of the Office of the Comptroller of the Currency's regulations or comparable state regulations.
- 1.i** **Other short-term obligations.** Report all short-term obligations (i.e., original maturities of less than 1 year, or 13 months in the case of the time portion of master notes). In addition to short-term notes, include in this item such money market instruments as master note arrangements, commercial paper, bankers acceptances, securities repurchase agreements, and other short-term liquidity investments. Exclude state, county, and municipal obligations.
- 1.j** **Other notes and bonds.** Report all other bonds, notes (except personal notes), and debentures. Include corporate debt, insurance annuity contracts, "GICs" (guaranteed investment contracts), "BICs" (bank investment contracts) that are not insured by the FDIC, and obligations of foreign governments. Also include certificates or other obligations, however named, representing pass-through participations in pools of real estate loans when the participation instruments are issued by financial institutions and guaranteed in whole or in part by private guarantors. Collateralized mortgage obligations (CMOs) and real estate mortgage investment conduits (REMICs) that are *not* issued by the Federal National Mortgage Association (FNMA) ("Fannie Mae") and the Federal Home Loan Mortgage Corporation (FHLMC) ("Freddie Mac") should be reported here, even if the collateral consists of GNMA ("Ginnie Mae") or FNMA pass-throughs or FHLMC participation certificates. Exclude short-term obligations (which should be reported in Revised NC Form 29TC, Memorandum item 1.i, above).
- 1.k** **Investments in unregistered funds and private equity investments.** Report all holdings of funds exempt from registration under Sections 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, for example, "hedge funds." Report all holdings of private equity investments exempt from registration under Securities Act of 1933 Regulation D. Private equity investments is an asset class consisting of purchased equity securities in operating companies that are not publicly traded on a stock exchange or otherwise registered with the SEC under federal securities laws. Private equity-related funds are funds that invest primarily in private equity investments. Unregistered private equity funds should be reported in this item.

Investments in family businesses that are associated with the grantors or beneficiaries of a fiduciary account should not be reported in this Memorandum item as a "private equity investment." Such investments may arise, for example, from an in-kind transfer to a fiduciary account of securities in a closely-held family business or an increase in a fiduciary account's percentage ownership of an existing closely-held family business whose securities are held in the account. Such investments should be reported in Revised NC Form 29TC, Memorandum item 1.o, "Miscellaneous assets."

- 1.l** **Other common and preferred stocks.** Report all holdings of domestic and foreign common and preferred equities, including warrants and options, but excluding investments in unregistered funds and private equity investments (which should be reported in Revised NC Form 29TC, Memorandum item 1.k, above).
- 1.m** **Real estate mortgages.** Report real estate mortgages, real estate contracts, land trust certificates, and ground rents. These assets may be reported at unpaid balance if that figure is a fair approximation of market value.
- 1.n** **Real estate.** Report real estate, mineral interests, royalty interests, leaseholds, and other similar assets. Land and buildings associated with farm management accounts should be reported in this item. Also include investments in limited partnerships that are solely or primarily invested in real estate.
- 1.o** **Miscellaneous assets.** Report personal notes, tangible personal property, and other miscellaneous assets that cannot properly be reported in Revised NC Form 29TC, Memorandum items 1.a through 1.n, above. Crops, equipment, and livestock associated with farm management accounts should be reported in this Memorandum item. Also include investments in closely-held family businesses if such investments represent in-kind transfers to a fiduciary account of securities in a closely-held family business or an increase in a fiduciary account's percentage ownership of an existing closely-held family business whose securities are held in the account.
- 1.p** **Total managed assets held in fiduciary accounts.** Report the sum of Memorandum items 1.a. through 1.o. The total reported in column A must equal the sum of Revised NC Form 29TC, items 1 and 3, column A. The total reported in column B must equal the sum of Revised NC Form 29TC, items 2.a, 2.b, and 2.c, column A. The total reported in column C must equal the sum of Revised NC Form 29TC, items 4 and 5, column A.
- 2** **Collective investment funds and common trust funds.** Report in the appropriate subitem the number of funds and the market value of the assets held in Collective Investment Funds (CIFs) and Common Trust Funds (CTFs) administered by the reporting institution. CIFs and CTFs are funds that trust companies are authorized to administer by Section 9.18 of the Office of the Comptroller of the Currency's regulations or comparable state regulations. Exclude mutual funds from this section. Each CIF and CTF should be reported in the subitem that best fits the fund type.
- 2.a** **Domestic equity.** Report funds investing primarily in U.S. equities. Include funds seeking growth, income, growth and income; U.S. index funds; and funds concentrating on small, mid, or large cap domestic stocks. Exclude funds specializing in a particular sector (e.g., technology, health care, financial, and real estate), which should be reported in NC Form 29 TC, Memorandum item 2.g, "Specialty/Other."
- 2.b** **International/Global equity.** Report funds investing exclusively in equities of issuers located outside the U.S. and those funds representing a combination of U.S. and foreign issuers. Include funds that specialize in a particular country, region, or emerging market.
- 2.c** **Stock/Bond blend.** Report funds investing in a combination of equity and bond investments. Include funds with a fixed allocation along with those having the flexibility to shift assets between stocks, bonds, and cash.
- 2.d** **Taxable bond.** Report funds investing in taxable debt securities. Include funds that specialize in U.S. Treasury and U.S. Government agency debt, investment grade corporate bonds, high-yield debt securities, mortgage-related securities, and global, international, and emerging market debt funds. Exclude funds that invest in municipal bonds, which should be reported in Revised NC Form 29TC, Memorandum item 2.e, and funds that qualify as short-term investments, which should be reported in Revised NC Form 29TC, Memorandum item 2.f.
- 2.e** **Municipal bond.** Report funds investing in debt securities issued by states and political subdivisions in the U.S. Such securities may be taxable or tax-exempt. Include funds that invest in municipal debt issues from a single state. Exclude funds that qualify as short-term investments, which should be reported in Revised NC Form 29TC, Memorandum item 2.f.
- 2.f** **Short-term investments/Money market.** Report funds that invest in short-term money market instruments with an average portfolio maturity that is limited to 90 days with individual securities limited to maturities

of 13 months or less. Money market instruments may include U.S. Treasury bills, commercial paper, bankers acceptances, and repurchase agreements. Include taxable and nontaxable funds.

- 2.g** **Specialty/Other.** Include funds that specialize in equity securities of particular sectors (e.g., technology, health care, financial, and real estate). Also include funds that do not fit into any of the above categories.
- 2.h** **Total collective investment funds.** Report the sum of Memorandum items 2.a. through 2.g.
- 3** **Fiduciary settlements, surcharges, and other losses.** Report aggregate gross settlements, surcharges, and other losses arising from errors, misfeasance, or malfeasance on managed accounts in column A and on non-managed accounts in column B. For the definitions of managed and non-managed accounts, refer to the instructions for the Fiduciary and Related Assets section of this form. Gross losses should reflect losses recognized on an accrual basis before recoveries or insurance payments. Exclude contingent liabilities for fiduciary-related loss contingencies, including pending or threatened litigation, for which a loss has not yet been recognized in accordance with FASB Statement No. 5.
- Report recoveries in column C. Recoveries may be for current or prior years' losses and should be reported when payment is actually realized. The filing of an insurance claim does not serve as support for a recovery.
- 3.a** **Personal trust and agency accounts.** Report gross losses and recoveries for personal trust and agency accounts as defined for item 1 of this form.
- 3.b** **Employee benefit and retirement-related trust and agency accounts.** Report gross losses and recoveries for employee benefit and retirement-related trust and agency accounts as defined for item 2 of this form.
- 3.c** **Investment management and investment advisory agency accounts.** Report gross losses and recoveries for investment management and investment advisory agency accounts as defined for item 3 of this form.
- 3.d** **Other fiduciary accounts and related services.** Report gross losses and recoveries for all other fiduciary accounts and related services that are not included in Revised NC Form 29TC, Memorandum items 3.a, 3.b, and 3.c, above. Include losses and recoveries from foundation and endowment trust and agency accounts, other fiduciary accounts, custody or safekeeping accounts, and other fiduciary related services.
- 3.e** **Total fiduciary settlements, surcharges, and other losses.** Report the sum of Memorandum items 3.a through 3.d. The sum of columns A and B minus column C must equal Revised NC Form 29TC, item 18, above.