

INSTRUCTIONS FOR COMPLETING THE REPORT OF CONDITION FOR A TRUST COMPANY

Instructions for Preparing the Report of Condition and the Statement of Income and Expenses for a Trust Company. This report must be prepared on a Consolidated Basis, including all subsidiaries.

GENERAL INSTRUCTIONS

1. Some areas of the report format have been revised. Please review the reports and instructions carefully prior to completing the report.
2. Do not cross out items on the form and substitute other items. If an account is not specifically listed on the form, check the instructions to see if it has been combined with another item; otherwise, it should be included in the appropriate "All Other" category.
3. Negative Entries. Except for the accounts listed on the Report of Condition, negative entries, assets with credit balances must be reported in the liabilities section and liabilities with debit balances must be reported in the assets section, as appropriate.

When negative entries do occur in one or more of the accounts listed, they shall be recorded in parentheses, rather than with a minus (-) sign.

On the Statement of Income and Expense, negative entries may appear as appropriate. Income items with a debit balance and expense items with a credit balance must be reported in parentheses.

4. Round cents to the nearest whole dollar (i.e. \$1,505.60 becomes \$1,506).
5. Leave blank any item that does not apply.
6. The Report of Condition and Income to be filed shall be signed at the places and in the manner indicated on the forms by a duly authorized officer of the company.

LINE ITEM INSTRUCTIONS FOR THE REPORTS OF CONDITION

SCHEDULE A – BALANCE SHEET

| ASSETS | |
|---------------|--|
| Line No. | Caption and Instructions |
| 1 | Cash and Due from Banks. From Schedule C, page 3, line 3, Total Cash and Due from Banks. |
| 2 | Investments. From Schedule D, page 3, line 6, Total Investments. |
| 3 | Loans and Advances (net). From Schedule E, page 3, line 9, Total Loans and Advances (net). |
| 4 | Company Premises and Fixed Assets (net). From Schedule F, page 3, line 3, Company Premises and Fixed Assets (net). |
| 5 | Furniture, Fixtures and Equipment (net). From Schedule G, page 4, line 3, Furniture, Fixtures, and Equipment (net). |
| 6 | Other Assets. From Schedule H, page 4, line 5, Total Other Assets. |
| 7 | TOTAL ASSETS. Sum of lines 1 to 6. |

| LIABILITIES | |
|--------------------|--|
| Line No. | Caption and Instructions |
| 8 | Trust Credit Balances. Report sum of all credit balances of uninvested funds less any debit balances in trust accounts administered by the trust company. |
| 9 | Agency Credit Balances. Report sum of all credit balances of uninvested funds less any debit balances in agency accounts administered by the trust company. |
| 10 | Other Liabilities. From Schedule I, page 4, line 8, Total Other Liabilities. |
| 11 | TOTAL LIABILITIES. Sum of lines 8 to 10. |

SCHEDULE A – BALANCE SHEET (Cont'd.)

| CAPITAL ACCOUNTS | |
|-------------------------|--|
| Line No. | Caption and Instructions |
| 12 | Preferred Stock. Report aggregate par or stated value of preferred stock outstanding. |
| 13 | Common Stock. Report aggregate par or stated value of common stock outstanding. |
| 14 | Paid-In Surplus. Report net amount formally transferred to the surplus account, including capital contributions, adjustments arising from treasury stock transactions, and any amount received for preferred stock and common stock in excess of its par or stated value. |
| 15 | Undivided Profits. From Schedule J, page 4, line 5, Analysis of Undivided Profits Accounts. |
| 16 | TOTAL CAPITAL ACCOUNTS. Sum of lines 12 to 15. |
| 17 | TOTAL LIABILITIES & CAPITAL ACCOUNTS. Sum of lines 11 and 16. |

| MEMORANDA | |
|------------------|--|
| Line No. | Caption and Instructions |
| 18 | Pledged Assets. Report all trust company assets, at book value, which are pledged as security. |
| 19 | Amount of Reserve Required. Report the calculated reserve required to be maintained, pursuant to Section 406-35, Hawaii Revised Statutes. |
| 20 | Cash on Deposit in Banks EarMarked or Held Especially for Paying Trust and Other Fiduciary Credit Balances. Report cash on hand maintained to meet the reserve requirement in line 19 above. The cash reserve may be deposited payable on demand in banks and other trust companies (in the State or elsewhere) approved by the commissioner or may be cash in the vaults of the trust company. |
| 21 | Total Dollar Value of Trust and Agency Accounts Administered. Report the dollar value of trust and agency accounts administered by the trust company which are not includable in the balance sheet presentation. Show these values at market value as of the latest valuation date. |

SCHEDULE B – STATEMENT OF INCOME AND EXPENSES
(Six months January 1 to June 30 and Calendar Year January 1 to December 31)

| INCOME | |
|---------------|--|
| Line No. | Caption and Instructions |
| 1 | Interest on Loans. Report income from interest on loans. Deduct interest rebated to customers on loans paid before maturity. |
| 2 | Interest and Dividend on Investments. Report interest and dividend income from investments reported on Schedule D. |
| 3 | Interest on Clients Debit Balances. Report interest on the debit balances of trust and agency accounts administered by the trust company. |
| 4 | Safe Deposit Box Rental. Report fees collected from clients renting safe deposit boxes. |
| 5 | Trust and Agency Commissions and Fees. Report commissions and fees from services rendered by trust company in the administration of trust and agency accounts. |
| 6 | Escrow, Appraisal, and Notary Fees. Report fees collected for escrow, appraisal, and notary services. |
| 7 | Land Trust Fees. Report fees collected for services in the administration of land trust accounts. |
| 8 | Data Processing Fees. Report fees collected for data processing services provided. |
| 9 | Miscellaneous Income. Report income for any other services which cannot be properly reported in lines 1 through 8. Itemize and describe amounts exceeding 25% of this item. |
| 10 | TOTAL INCOME. Sum of lines 1 to 9. |

SCHEDULE B – STATEMENT OF INCOME AND EXPENSES
(Cont'd.)

(Six months January 1 to June 30 and Calendar Year January 1 to December 31)

| EXPENSES | |
|-----------------|--|
| Line No. | Caption and Instructions |
| 11 | Advertising. Report the cost of advertising the services of the trust company during the course of its business. |
| 12 | Auto Expenses. Report the cost of fuel, maintenance and other expenses (including depreciation) related to the use of company-owned automobiles for company business. |
| 13 | Business Promotions and Travel. Report cost of promoting company business, public relations, and business development expenses. Also include the cost of travel and entertainment expenses, including costs incurred by company officials and employees for attending meetings and conventions. |
| 14 | Commissions Paid. Report commissions paid for services rendered regarding trust business. |
| 15 | Communication Expenses. Report cost of telephone, telegraph and other means of transmitting messages electronically. |
| 16 | Contributions. Report contributions made to charitable organizations. |
| 17 | Data Processing Expenses. Report cost of data processing services performed for the company by others. |
| 18 | Directors' Fees. Report fees paid to directors and advisory directors for attendance at board of directors or committee meetings (including travel and expense allowances). |
| 19 | Dues and Subscriptions. Report dues, fees, and other expenses associated with memberships in country clubs, social or private clubs, civic organizations, and similar club and organizations. Also include subscriptions to magazines and books pertaining to the business of the company. |
| 20 | Insurance. Report premiums on fidelity insurance (blanket bond, excess employee dishonesty bond), directors' and officers' liability insurance, and life insurance policies for which the bank is the beneficiary. |

SCHEDULE B – STATEMENT OF INCOME AND EXPENSES
(Cont'd.)

(Six months January 1 to June 30 and Calendar Year January 1 to December 31)

| EXPENSES (Cont'd.) | |
|---------------------------|--|
| Line No. | Caption and Instructions |
| 21 | Expense of Premises and Fixed Assets. Report expenses relating to occupying an office including rent, utilities (heat, electricity and water) depreciation, taxes (property) amortization of leasehold improvements, repairs and maintenance on premises, equipment, furniture and fixtures, fire and extended coverage insurance, janitorial supplies, and outside janitorial services. |
| 22 | Office Expenses. Report cost of office supplies purchased, printing and postage. |
| 23 | Professional Fees and Services. Report retainer fees, legal fees, audit fees, and other fees and expenses paid to attorneys, accountants, management consultants, investment counselors, and other professionals who are not company officers and employees. |
| 24 | <p>Salaries and Employee Benefits. Report salaries and benefits of all officers and employees of the company. Include as salaries and employee benefits:</p> <ul style="list-style-type: none"> (1) Gross salaries, wages and bonuses of all officers and employees of the company. (2) Employer's cost of social security taxes and unemployment taxes. (3) Workmen's compensation insurance premiums. (4) Premiums on health and accident, hospitalization, dental, disability, and life insurance policies for which the licensee is not the beneficiary. (5) Pension plan costs. (6) Other fringe benefits for officers and employees, i.e. reimbursements of moving expenses, tuition reimbursements, etc. |
| 25 | Taxes. Report all other taxes except employment and income taxes. |

SCHEDULE B – STATEMENT OF INCOME AND EXPENSES
(Cont'd.)

(Six months January 1 to June 30 and Calendar Year January 1 to December 31)

| EXPENSES (Cont'd.) | |
|---------------------------|---|
| Line No. | Caption and Instructions |
| 26 | Miscellaneous Expenses. Report amount of all other expenses which cannot be properly reported in lines 11 through 25. Itemize and describe amounts exceeding 25% of this item. |
| 27 | TOTAL EXPENSES. Sum of lines 11 to 26. |
| 28 | NET OPERATING INCOME (LOSS). Line 10 minus line 27. If amount is a negative or loss, enclose in parentheses. |

| OTHER CREDITS | |
|----------------------|---|
| Line No. | Caption and Instructions |
| 29 | Bad Debt Recoveries. Report amounts collected on debts previously written-off. |
| 30 | Profit on Sale of Capital Assets. Report net gain from the sale of capital assets. |
| 31 | TOTAL OTHER CREDITS. Sum of lines 29 and 30. |

| OTHER CHARGES | |
|----------------------|--|
| Line No. | Caption and Instructions |
| 32 | Interest on Borrowed Money. Report the cost of funds on all monies borrowed by the company. |
| 33 | Depreciation - Other. Report all other depreciation not reportable under Auto Expenses and Expense of Premises and Fixed Assets. |
| 34 | Loans Charged-Off / Additions to Reserve for Losses. Report the cost of any loan directly written off or include the amount added to any reserve set up for possible loan losses. |
| 35 | Loss on Sale of Capital Assets. Report any loss from the sale of capital assets. |
| 36 | Amortization of Intangible Assets. Report the dollar amount of any amortization expense of intangible assets, i.e., goodwill, organizational costs, etc. |
| 37 | Federal and State Income Taxes. Report applicable federal and state income taxes for the period. |
| 38 | TOTAL OTHER CHARGES. Sum of lines 32 to 37. |
| 39 | NET INCOME (LOSS) FOR PERIOD. Line 28, plus line 31, minus line 38. |

SCHEDULE C – CASH AND DUE FROM BANKS

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Cash on Hand. Report all currency and coins owned and held by the reporting trust company. |
| 2 | <p>Cash in Banks.</p> <p>(a) General Accounts. Report all trust company balances due from depository institutions, including interest-bearing and non-interest-bearing balances, whether in the form of demand, savings, or time balances, including certificates of deposit. No clients' funds awaiting investment should be included in this amount.</p> <p>(b) General Fiduciary Accounts. Report all uninvested clients' funds. This should include balance due from depository institutions, including interest-bearing and non-interest-bearing balances whether in the form of demand, savings, or time balances, including certificates of deposit.</p> <p>(c) Accounts in Name of Company as Trustee, etc. Report all clients' fund held in the name of the trust company as trustee.</p> <p>(d) All Other Accounts. Report all funds that cannot be properly reported in lines 1 and 2.</p> |
| 3 | TOTAL CASH AND DUE FROM BANKS. Sum of lines 1 and 2. |

SCHEDULE D – INVESTMENTS

| Line No. | Caption and Instructions |
|----------|---|
| 1 | United States Government Obligations. Report all U.S. Treasury and U.S. Government Agency and Corporation obligations held by the trust company. |
| 2 | Obligations of State and Political Subdivision. Report all securities issued by states and political subdivisions in the United States. |
| 3 | Other Bonds, Notes and Debentures. Report all bonds, notes and debentures relating to railroads, public utilities, industrial, foreign (public or private) and affiliated companies. |
| 4 | Corporate Stock. Report all investments in corporate stocks of local corporations, mainland corporations, foreign corporations, and affiliated corporations. |
| 5 | Other Investments. Report all other investments which cannot be properly reported in lines 1 to 4. |
| 6 | TOTAL INVESTMENTS. Sum of lines 1 to 5. |
| 7 | Bonds, Notes, and Debentures in Default Included Above. Memo entry of all defaulted items included in the investments listed above. |

SCHEDULE E – LOANS AND ADVANCES (NET)

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Real Estate Loans. Report all loans regardless of purpose that are secured by real estate as evidenced by mortgages, deeds of trust, land contracts, or other instruments on real estate. |
| 2 | Collateral Loans. Report all loans in which the trust company takes a security interest in an asset of the borrower. |
| 3 | Unsecured Loans. Report all loans in which the trust company has no security interest in an asset or real estate of the borrower. |
| 4 | Loans to Officers and Employees. Report loans and advances made to officers and employees of the trust company. |
| 5 | Trust and Agency Debit Balance. Report funds transferred by trust company to cover the debit balances of trust and agency accounts. |
| 6 | Receivables from Affiliates. Report all monies due from affiliates of the trust company. |
| 7 | All Other Loans. Report all other loans which cannot be properly reported in lines 1 to 6. |
| 8 | Less: Valuation Allowance. Report the balance of the allowance for loan and lease losses. |
| 9 | TOTAL LOANS AND ADVANCES (net). Sum of lines 1 to 7 minus line 8. |

SCHEDULE F – COMPANY PREMISES AND FIXED ASSETS
(net)

| Line No. | Caption and Instructions |
|----------|--|
| 1 | <p>Company Premises and Fixed Assets. Report the cost of land and buildings actually owned and occupied (or to be occupied) by the trust company, its branches or consolidated subsidiaries.</p> <p>Include as Premises and Fixed Assets:</p> <p>(1) Premises that are actually owned or occupied by the trust company.</p> <p>(2) Leasehold improvements, vaults, and fixed machinery and equipment.</p> <p>(3) Remodeling costs to existing premises.</p> <p>(4) Real estate acquired and intended to be used for future expansion.</p> <p>(5) Parking lots owned for use by customers or employees.</p> |
| 2 | <p>Less: Allowance for Depreciation. Report the balances of the Allowance for Depreciation for the assets categorized as Company Premises.</p> |
| 3 | <p>Company Premises and Fixed Assets (net). Sum of line 1 minus line 2.</p> |

SCHEDULE G – FURNITURE, FIXTURES, AND EQUIPMENT
(net)

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Furniture, Fixtures, and Equipment. Report the cost of all movable furniture, fixtures, and equipment of the trust company, its branches and consolidated subsidiaries, including automobiles and other vehicles. |
| 2 | Less: Allowance for Depreciation. Report the balances of the Allowance for Depreciation for the assets categorized as Furniture, Fixtures, and Equipment. |
| 3 | Furniture, Fixtures, and Equipment (net). Sum of line 1 minus line 2. |

SCHEDULE H – OTHER ASSETS

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Interest, Commissions, Rents, and Other Income Earned or Accrued but Not Collected. Report income that has been earned or accrued but not collected. |
| 2 | Insurance and Other Expenses Prepaid. Report all prepaid expenses of trust company. |
| 3 | Leased Equipment Under Capital Leases. Report all leased equipment that are under capital lease arrangements. |
| 4 | All Other Assets. Report all other assets which cannot be properly reported in lines 1 to 3. Itemize and describe amounts exceeding 25% of this item. |
| 5 | TOTAL OTHER ASSETS. Sum of lines 1 to 4. |

SCHEDULE I – OTHER LIABILITIES

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Interest, Taxes, and Other Expenses Accrued and Unpaid. Report all expenses that have been accrued but not yet paid. |
| 2 | Safe Deposits Key Deposits. Report all key deposits held for safe deposit boxes rented to clients. |
| 3 | Accounts Payable. Report all unpaid expenses other than expenses accrued and unpaid. |
| 4 | Obligations Under Capital Leases. Report all obligations under capital lease arrangements. |
| 5 | Loans Payable. Report all borrowings the trust company is obligated to repay. (Exclude loans from affiliates.) |
| 6 | Due to Affiliates. Report all borrowings from affiliated companies of the trust company. |
| 7 | All Other Liabilities. Report all other liabilities which cannot be properly reported in lines 1 to 6. Itemize and describe amounts exceeding 25% of this item. |
| 8 | TOTAL OTHER LIABILITIES. Sum of lines 1 to 7. |

SCHEDULE J – ANALYSIS OF UNDIVIDED PROFITS
ACCOUNTS

| Line No. | Caption and Instructions |
|----------|--|
| 1 | Balance Per Last Report. Report the ending balance as of the previous December 31 reporting period. |
| 2 | Net Income (Loss) for Period from Schedule “B.” Report the figure from Schedule B, page 2, line 39. |
| 3 | Additions. Report all adjustments to be added to the Undivided Profits Account not reported in Schedule B, Statement of Income and Expenses. |
| 4 | Deductions. Report all adjustments to be deducted from the Undivided Profits Accounts not reported in Schedule B, Statement of Income and Expenses. |
| 5 | Balance at End of Period. Sum of lines 1 to 3, minus line 4. |