## RC-N M7 Additions to Nonaccruals

Line item RC-N M7 should reflect the dollar value of assets placed on nonaccrual status during the period, regardless of their status at the end of the period.

1. **Amount reported is NOT necessarily the sum of nonaccruals at period end**
2. **Amount reported is NOT necessarily the differences between nonaccruals from one period to the next**

This line item is to be completed semiannually in June and December for assets placed on nonaccrual during the previous six months.

### Sample Calculation

**Nonaccrual Assets Include:**
- All loans, leases, debt securities, and other assets (net of unearned income) placed in nonaccrual status during the previous six months.

**Additional Activities during period:**
- **Subsequently sold $400 of the nonaccrual loan**
  - No impact – amount reported on RC-N M7 remains $1,000
- **Charged off the entire $500 amount**
  - No impact – amount reported on RC-N M7 remains $500
- **Pay off of $4,000 received**
  - No impact – amount reported on RC-N M7 remains $8,000

**Summary:** Although the cumulative activities during the period would result in a total of $4,600 in nonaccruals on the books at the end of the period, the amount reported on RC-N M7 should be **$9,500**

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