

DRAFT 3/10/2014

Schedule HC-R, Part I.B –Regulatory Capital Components and Ratios

Advanced approaches holding companies (except savings and loan holding companies (SLHCs)) must complete this Schedule HC-R, Part I.B, starting on March 31, 2014. Starting on March 31, 2015, all other holding companies must complete Part I.B. On that date, Schedule HC-R, Part I.A, will be removed and Part I.B will be designated Part I. Part I.B. is to be submitted on a consolidated basis by top tier holding companies.

Dollar Amounts in Thousands

| | BHCA | Bil | Mil | Thou | | | | | | |
|---|--------------|-----|-----|------|------|------|--|-------|------|--|
| Common equity tier 1 capital | | | | | | | | | | |
| 1. Common stock plus related surplus, net of treasury stock and unearned employee stock ownership plan (ESOP) shares..... | P742 | | | | | | | | | |
| 2. Retained earnings..... | BHCT3247 | | | | | | | | | |
| 3. Accumulated other comprehensive income (AOCI) | BHCA B530 | | | | | | | | | |
| <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="width: 15%;">0=No</td> <td style="width: 15%;">BHCA</td> <td style="width: 15%;"></td> </tr> <tr> <td>1=Yes</td> <td>P838</td> <td></td> </tr> </table> | | | | | 0=No | BHCA | | 1=Yes | P838 | |
| 0=No | BHCA | | | | | | | | | |
| 1=Yes | P838 | | | | | | | | | |
| a. AOCI opt-out election (enter "1" for Yes; enter "0" for No.)..... | | | | | | | | | | |
| 4. Common equity tier 1 minority interest includable in common equity tier 1 capital | BHCA P839 | | | | | | | | | |
| 5. Common equity tier 1 capital before adjustments and deductions (sum of items 1 through 4) | P840 | | | | | | | | | |
| Common equity tier 1 capital: adjustments and deductions | | | | | | | | | | |
| 6. LESS: Goodwill net of associated deferred tax liabilities (DTLs)..... | P841 | | | | | | | | | |
| 7. LESS: Intangible assets (other than goodwill and mortgage servicing assets (MSAs)), net of associated DTLs..... | P842 | | | | | | | | | |
| 8. LESS: Deferred tax assets (DTAs) that arise from net operating loss and tax credit carryforwards, net of any related valuation allowances and net of DTLs..... | P843 | | | | | | | | | |
| 9. AOCI-related adjustments (if entered "1" for Yes in item 3.a, complete only items 9.a through 9.e; if entered "0" for No in item 3.a, complete only item 9.f): | | | | | | | | | | |
| a. LESS: Net unrealized gains (losses) on available-for-sale securities (if a gain, report as a positive value; if a loss, report as a negative value)..... | P844 | | | | | | | | | |
| b. LESS: Net unrealized loss on available-for-sale preferred stock classified as an equity security under GAAP and available-for-sale equity exposures (report loss as a positive value) | P845 | | | | | | | | | |
| c. LESS: Accumulated net gains (losses) on cash flow hedges (if a gain, report as a positive value; if a loss, report as a negative value) | P846 | | | | | | | | | |
| d. LESS: Amounts recorded in AOCI attributed to defined benefit postretirement plans resulting from the initial and subsequent application of the relevant GAAP standards that pertain to such plans (if a gain, report as a positive value; if a loss, report as a negative value)..... | P847 | | | | | | | | | |
| e. LESS: Net unrealized gains (losses) on held-to-maturity securities that are included in AOCI (if a gain, report as a positive value; if a loss, report as a negative value)..... | P848 | | | | | | | | | |
| f. To be completed only by holding companies that entered "0" for No in 3.a: LESS: Accumulated net gain (loss) on cash flow hedges included in AOCI, net of applicable income taxes, that relate to the hedging of items that are not recognized at fair value on the balance sheet (if a gain, report as a positive value; if a loss, report as a negative value) | P849 | | | | | | | | | |

DRAFT 3/10/2014

10. Other deductions from (additions to) common equity tier 1 capital before threshold-based deductions:
 - a. LESS: Unrealized net gain (loss) related to changes in the fair value of liabilities that are due to changes in own credit risk (if a gain, report as a positive value; if a loss, report as a negative value)
 - b. LESS: All other deductions from (additions to) common equity tier 1 capital before threshold-based deductions.....
11. LESS: Non-significant investments in the capital of unconsolidated financial institutions in the form of common stock that exceed the 10 percent threshold for non-significant investments
12. Subtotal (item 5 minus items 6 through 11)
13. LESS: Significant investments in the capital of unconsolidated financial institutions in the form of common stock, net of associated DTLs, that exceed the 10 percent common equity tier 1 capital deduction threshold
14. LESS: MSAs, net of associated DTLs, that exceed the 10 percent common equity tier 1 capital deduction threshold
15. LESS: DTAs arising from temporary differences that could not be realized through net operating loss carrybacks, net of related valuation allowances and net of DTLs, that exceed the 10 percent common equity tier 1 capital deduction threshold.....
16. LESS: Amount of significant investments in the capital of unconsolidated financial institutions in the form of common stock, net of associated DTLs; MSAs, net of associated DTLs; and DTAs arising from temporary differences that could not be realized through net operating loss carrybacks, net of related valuation allowances and net of DTLs; that exceeds the 15 percent common equity tier 1 capital deduction threshold.....
17. LESS: Deductions applied to common equity tier 1 capital due to insufficient amounts of additional tier 1 capital and tier 2 capital to cover deductions.....
18. Total adjustments and deductions for common equity tier 1 capital (sum of items 13 through 17)
19. **Common equity tier 1 capital** (item 12 minus item 18).....

Additional tier 1 capital

20. Additional tier 1 capital instruments plus related surplus.....
21. Non-qualifying capital instruments subject to phase out from additional tier 1 capital.....
22. Tier 1 minority interest not included in common equity tier 1 capital.....
23. Additional tier 1 capital before deductions (sum of items 20, 21, and 22).....
24. LESS: Additional tier 1 capital deductions.....
25. **Additional tier 1 capital** (greater of item 23 minus item 24, or zero)

Tier 1 capital

26. **Tier 1 capital** (sum of items 19 and 25)

Tier 2 capital

27. Tier 2 capital instruments plus related surplus.....
28. Non-qualifying capital instruments subject to phase out from tier 2 capital
29. Total capital minority interest that is not included in tier 1 capital.....
30. a. Allowance for loan and lease losses includable in tier 2 capital
- b. (Advanced approaches holding companies that exit parallel run only): Eligible credit reserves includable in tier 2 capital.....
31. Unrealized gains on available-for-sale preferred stock classified as an equity security under GAAP and available-for-sale equity exposures includable in tier 2 capital.....

| | | | |
|------------------------------|--|--|--|
| | | | |
| Q258 | | | |
| P850 | | | |
| P851 | | | |
| P852 | | | |
| P853 | | | |
| P854 | | | |
| P855 | | | |
| P856 | | | |
| P857 | | | |
| P858 | | | |
| P859 | | | |
| | | | |
| P860 | | | |
| P861 | | | |
| P862 | | | |
| P863 | | | |
| P864 | | | |
| P865 | | | |
| | | | |
| 8274 | | | |
| | | | |
| P866 | | | |
| P867 | | | |
| P868 | | | |
| 5310 | | | |
| BHCW 5310 | | | |
| BHCA Q257 | | | |

DRAFT 3/10/2014

32. a. Tier 2 capital before deductions (sum of items 27 through 30.a, plus item 31).....
 b. (Advanced approaches holding companies that exit parallel run only): Tier 2 capital before deductions (sum of items 27 through 29, plus items 30.b and 31).....
33. LESS: Tier 2 capital deductions
34. a. **Tier 2 capital** (greater of item 32.a minus item 33, or zero).....
 b. (Advanced approaches holding companies that exit parallel run only): Tier 2 capital (greater of item 32.b less item 33, or zero).....

| | | | |
|------------------|--|--|--|
| P870 | | | |
| BHCW P870 | | | |
| <u>BHCA</u> P872 | | | |
| 5311 | | | |
| BHCW 5311 | | | |

Total capital

35. a. **Total capital** (sum of items 26 and 34.a).....
 b. (Advanced approaches holding companies that exit parallel run only): Total capital (sum of items 26 and 34.b).....

| | | | |
|------------------|--|--|--|
| <u>BHCA</u> 3792 | | | |
| BHCW 3792 | | | |

Total assets for the leverage ratio

36. Average total consolidated assets.....
 37. LESS: Deductions from common equity tier 1 capital and additional tier 1 capital (sum of items 6, 7, 8, 10.b, 11, 13 through 17, and item 24).....
 38. LESS: Other deductions from (additions to) assets for ~~the~~ leverage ratio purposes...
 39. **Total assets for the leverage ratio** (item 36 minus items 37 and 38).....

| | | | |
|-----------------|--|--|--|
| BHCX3368 | | | |
| BHCAP875 | | | |
| BHCAB596 | | | |
| BHCAA224 | | | |

Total risk-weighted assets

40. a. **Total risk-weighted assets** (from Schedule RC-R, Part II item 62).....
 b. (Advanced approaches holding companies that exit parallel run only): Total risk-weighted assets using advanced approaches rule (from FFIEC 101, Schedule A, item 60).....

| | | | |
|-----------------|--|--|--|
| BHCAA223 | | | |
| BHCW A223 | | | |

Risk-based Capital capital ratios

41. Common equity tier 1 capital ratio (Column A: item 19 divided by item 40.a) (Advanced approaches holding companies that exit parallel run only: Column B: item 19 divided by item 40.b).....
 42. Tier 1 capital ratio (Column A: item 26 divided by item 40.a) (Advanced approaches holding companies that exit parallel run only: Column B: item 26 divided by item 40.b).....
 43. Total capital ratio (Column A: item 35.a divided by item 40.a) (Advanced approaches holding companies that exit parallel run only: Column B: item 35.b divided by item 40.b).....

| Column A | | Column B | |
|----------|-------------|----------|-------------|
| BHCA | Percent age | BHCW | Percent age |
| P793 | -- | P793 | -- |
| 7206 | -- | 7206 | -- |
| 7205 | -- | 7205 | -- |

Leverage capital ratios

44. Tier 1 leverage ratio (item 26 divided by item 39)
 45. Advanced approaches holding companies only: Supplementary leverage ratio (from FFIEC 101, Schedule A, item 98) (effective January 1, 2015).....

| BHCA | Percentage |
|------|------------|
| 7204 | -- |
| | -- |

- 44. Tier 1 leverage ratio (Column A: item 26 divided by item 39) (Advanced approaches holding companies that exit parallel run only: Column B: item 26 divided by item 39).....

| | | | |
|-------|----|-------|----|
| -7204 | -- | -7204 | -- |
|-------|----|-------|----|

DRAFT 3/10/2014

45. ~~Advanced approaches holding companies only: Supplementary leverage ratio (from FFIEC 101, Schedule A, item 98) (effective January 1, 2015).....~~

| | | |
|---|--|---|
| - | | - |
|---|--|---|

Capital buffer

46. Institution-specific capital buffer necessary to avoid limitations on distributions and discretionary bonus payments (effective January 1, 2016):
- a. Capital conservation buffer.....
 - b. (Advanced approaches holding companies that exit parallel run only): Total applicable capital buffer.....

| BHCA | Percentage |
|------|------------|
| | --.--- |
| | |

Effective January 1, 2016: Institutions must complete items 47 and 48 if the amount in item 46.a (or the lower of 46.a or 46.b for an advanced approaches holding company that has exited parallel run) is less than or equal to the applicable minimum capital conservation buffer:

- 47. Eligible retained income.....
- 48. Distributions and discretionary bonus payments during the quarter

| BHCA | Bil | Mil | Thou |
|------|-----|-----|------|
| | | | |
| | | | |
| | | | |