

SCHEDULE RI-C – DISAGGREGATED DATA ON THE ALLOWANCE FOR LOAN AND LEASE LOSSES

General Instructions

Schedule RI-C is to be completed semiannually in the June and December reports only by institutions with \$1 billion or more in total assets.¹

Institutions that have not adopted FASB [Accounting Standards Update No. 2016-13](#) (ASU 2016-13), which governs the accounting for credit losses, should complete Schedule RI-C, items 1 through 6, only and leave Schedule RI-C, items 7 through 11, blank.

Institutions that have adopted ASU 2016-13 should complete Schedule RI-C, items 1 through 11.

Loans and Leases Held for Investment

For institutions that have not adopted ASU 2016-13, Schedule RI-C, items 1 through 6, have two columns for the disclosure of disaggregated information by portfolio category on the recorded investment in loans (and, as applicable, leases) held for investment (column A) and the related balance in the allowance for loan and lease losses (column B) as of the report date, excluding loans held for investment that the institution has elected to report at fair value under a fair value option. Loans and leases held for investment are loans and leases that the institution has the intent and ability to hold for the foreseeable future or until maturity or payoff.

Institutions that have adopted ASU 2016-13 should report the amortized cost and related allowances for credit losses by loan category in Schedule RI-C, items 1 through 4, columns A and B, respectively.

The loan and lease portfolio categories for which amounts are to be reported in Schedule RI-C, items 1 through 4, represent general categories rather than the standardized loan categories defined in Schedule RC-C, Part I, Loans and Leases. Based on the manner in which it segments its portfolio for purposes of applying its allowance methodology, each institution should report each component of the overall allowance reported in Schedule RC, item 4.c, and the recorded investment in the related loans and leases in the general loan category in Schedule RI-C, items 1 through 4, that best corresponds to the characteristics of the related loans and leases.²

The total recorded investment amount reported in Schedule RI-C, item 6, column A, plus the fair value of loans held for investment for which the fair value option has been elected, must equal the balance sheet amount of held-for-investment loans and leases reported in Schedule RC, item 4.b, “Loans and leases held for investment.” Thus, the recorded investment amounts reported in column A of Schedule RI-C must be net of unearned income.

¹ In general, the determination as to whether an institution has \$1 billion or more in total assets is measured as of June 30 of the previous calendar year. See pages 6a and 7 of the General Instructions for guidance on shifts in reporting status.

² For example, based on its allowance methodology, one institution’s allowance components for credit cards might relate to both consumer and business credit card receivables, but another institution’s allowance components for credit cards might relate only to consumer credit card receivables.

As another example, based on its allowance methodology, one institution might include its loans secured by farmland in its allowance components for commercial real estate loans, but another institution might include its loans secured by farmland in its allowance components for commercial loans.

Item No.	<u>Caption and Instructions</u>
1	<u>Real estate loans:</u>
1.a	<u>Construction loans.</u> Report in columns A and B the recorded investment in held-for-investment construction loans and the related balance in the allowance for loan and lease losses for such loans, respectively. Exclude loans that the institution has elected to report at fair value under a fair value option.
1.b	<u>Commercial real estate loans.</u> Report in columns A and B the recorded investment in held-for-investment commercial real estate loans and the related balance in the allowance for loan and lease losses for such loans, respectively. Exclude loans that the institution has elected to report at fair value under a fair value option.
1.c	<u>Residential real estate loans.</u> Report in columns A and B the recorded investment in residential real estate loans and the related balance in the allowance for loan and lease losses for such loans, respectively. Exclude loans that the institution has elected to report at fair value under a fair value option.
2	<u>Commercial loans.</u> Report in columns A and B the recorded investment in all held-for-investment commercial loans and the related balance in the allowance for loan and lease losses for such loans, respectively. For purposes of this item, commercial loans include all loans and leases not reported as real estate loans, credit cards, or other consumer loans in Schedule RI-C, items 1, 3, and 4. Exclude loans that the institution has elected to report at fair value under a fair value option.
3	<u>Credit cards.</u> Report in columns A and B the recorded investment in all held-for-investment extensions of credit arising from credit cards and the related balance in the allowance for loan and lease losses for such extensions of credit, respectively. Exclude loans that the institution has elected to report at fair value under a fair value option.
4	<u>Other consumer loans.</u> Report in columns A and B the recorded investment in all held-for-investment consumer loans other than credit cards and the related balance in the allowance for loan and lease losses for such loans, respectively. Exclude loans that the institution has elected to report at fair value under a fair value option.
5	<u>Unallocated, if any.</u> Report in column B the amount of any unallocated portion of the allowance for loan and lease losses. An institution is not required to have an unallocated portion of the allowance.
6	<u>Total.</u> Report in columns A and B the sum of items 1 through 5. The amount reported in column A plus the fair value of any loans held for investment for which the fair value option has been elected must equal Schedule RC, item 4.b, “Loans and leases held for investment.” The amount reported in column B must equal Schedule RC, item 4.c, “Allowance for loan and lease losses.”

Held-to-Maturity Securities

For each of the specified categories of held-to-maturity debt securities in Schedule RI-C, items 7 through 10, which correspond to the securities categories defined in Schedule RC-B, report the related balance of the allowance for credit losses measured in accordance with ASC Subtopic 326-20.

Institutions that have not adopted ASU 2016-13 should leave Schedule RI-C, items 7 through 11, blank.

<u>Item No.</u>	<u>Caption and Instructions</u>
7	<u>Securities issued by states and political subdivisions in the U.S.</u> Report the allowance for credit losses on held-to-maturity debt securities issued by states and political subdivisions in the U.S. (as defined for Schedule RC-B, item 3, column A).
8	<u>Mortgage-backed securities (MBS) (including CMOs, REMICs, and stripped MBS).</u> Report the allowance for credit losses on held-to-maturity mortgage-backed securities (as defined for Schedule RC-B, items 4.a, 4.b, and 4.c, column A).
9	<u>Asset-backed securities and structured financial products.</u> Report the allowance for credit losses on held-to-maturity asset-backed securities and structured financial products (as defined for Schedule RC-B, items 5.a and 5.b, column A).
10	<u>Other debt securities.</u> Report the allowance for credit losses on categories of held-to-maturity debt securities not reported in items 7 through 9, above.
11	<u>Total.</u> Report the sum of items 7 through 10. The amount reported in item 11, "Total," should equal the amount reported in Schedule RI-B, Part II, item 7, column B, "Balance end of current period," for held-to-maturity debt securities.

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