

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

General Instructions

Schedule RI-C is to be completed by institutions with \$1 billion or more in total assets.

Part I, Disaggregated Data on the Allowance for Loan and Lease Losses, of this schedule is to be completed only by institutions that have not adopted FASB [Accounting Standards Update No. 2016-13](#) (ASU 2016-13), which governs the accounting for credit losses. Institutions that have adopted ASU 2016-13 should leave the data items in Part I blank.

Part II, Disaggregated Data on Allowances for Credit Losses, is to be completed only by institutions that have adopted ASU 2016-13. Institutions that have not adopted ASU 2016-13 should leave the data items in Part II blank.

Part I. Disaggregated Data on the Allowance for Loan and Lease Losses

General Instructions for Part I

Part I of this schedule has six columns for the disclosure by portfolio category of the balance in the allowance for loan and lease losses at the end of each quarter disaggregated on the basis of the reporting institution's impairment method and the related recorded investment in loans (and, as applicable, leases) held for investment (excluding loans held for investment that the institution has elected to report at fair value under a fair value option) disaggregated in the same manner: two columns for information on loans individually evaluated for impairment, two columns for information on loans and leases collectively evaluated for impairment, and two columns for purchased credit-impaired loans. For further information on loan impairment methods, see the Glossary entries for "loan impairment" and "purchased credit-impaired loans and debt securities."

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.

The loan and lease portfolio categories for which allowance and related recorded investment amounts are to be reported in Schedule RI-C, Part I, 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 Schedule RI-C, Part I, general loan category that best corresponds to the characteristics of the related loans and leases.¹ The sum of the recorded investment amounts reported in Schedule RI-C, Part I (plus the fair value of loans held for investment reported in Schedule RC-Q, item 4, column A, 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 columns A, C, and E of Schedule RI-C must be net of unearned income.

¹ 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.

Column Instructions for Part I

Columns A and B: For each of the specified general categories of loans held for investment, report in column A the recorded investment in individually evaluated loans that have been determined to be impaired as defined in ASC Subtopic 310-10, Receivables – Overall (formerly FASB Statement No. 114, “Accounting by Creditors for Impairment of a Loan,” as amended), including all loans restructured in troubled debt restructurings, and report in column B the balance of the allowance for loan and lease losses attributable to these individually impaired loans measured in accordance with ASC Subtopic 310-10.

Columns C and D: For each of the specified general categories of loans and leases held for investment, report in column C the recorded investment in loans and leases that have been collectively evaluated for impairment in accordance with ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, “Accounting for Contingencies”) and report in column D the balance in the allowance for loan and lease losses attributable to these collectively evaluated loans and leases measured in accordance with ASC Subtopic 450-20. Report in column D any unallocated portion of the allowance for loan and lease losses for loans collectively evaluated for impairment. Also include in column C the recorded investment in any loans held for investment not individually determined to be impaired that do not have a balance in the allowance for loan and lease losses attributable to them.

Columns E and F: For each of the specified general categories of loans held for investment, report in column E the recorded investment in purchased credit-impaired loans as defined in ASC Subtopic 310-30, Receivables – Loans and Debt Securities Acquired with Deteriorated Credit Quality (formerly AICPA Statement of Position 03-3, “Accounting for Certain Loans or Debt Securities Acquired in a Transfer”) and report in column F the balance in the allowance for loan and lease losses attributable to these purchased credit-impaired loans measured in accordance with ASC Subtopic 310-30.

Item Instructions for Part I**Item No. Caption and Instructions**

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| 1 | <u>Real estate loans:</u> |
| 1.a | <u>Construction loans.</u> Report in the appropriate column, disaggregated on the basis of impairment method, the recorded investment in held-for-investment construction loans and the related balance in the allowance for loan and lease losses for such loans. 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 the appropriate column, disaggregated on the basis of impairment method, 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. 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 the appropriate column, disaggregated on the basis of impairment method, the recorded investment in residential real estate loans and the related balance in the allowance for loan and lease losses for such loans. Exclude loans that the institution has elected to report at fair value under a fair value option. |
| 2 | <u>Commercial loans.</u> Report in the appropriate column, disaggregated on the basis of impairment method, 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. 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 the other items of this Schedule RI-C. Exclude loans that the institution has elected to report at fair value under a fair value option. |

Part I. (cont.)**Item No. Caption and Instructions**

- 3** **Credit cards.** Report in the appropriate column, disaggregated on the basis of impairment method, 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. Exclude loans that the institution has elected to report at fair value under a fair value option.
- 4** **Other consumer loans.** Report in the appropriate column, disaggregated on the basis of impairment method, 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. Exclude loans that the institution has elected to report at fair value under a fair value option.
- 5** **Unallocated, if any.** Report in column D the amount of any unallocated portion of the allowance for loan and lease losses for loans collectively evaluated for impairment. An institution is not required to have an unallocated portion of the allowance.
- 6** **Total.** For each column in Schedule RI-C, Part I, report the sum of items 1 through 5.
- The sum of the amounts reported in Schedule RI-C, Part I, item 6, columns B, D, and F must equal Schedule RC, item 4.c, “Allowance for loan and lease losses.”
- The amount reported in Schedule RI-C, Part I, item 6, column E, must equal Schedule RC-C, Part I, Memorandum item 7.b, “Amount included in Schedule RC-C, part I, items 1 through 9.”
- The amount reported in Schedule RI-C, Part I, item 6, column F, must equal Schedule RI-B, Part II, Memorandum item 4, “Amount of allowance for post-acquisition credit losses on purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30.”
- The sum of the amounts reported in Schedule RI-C, Part I, item 6, columns A, C, and E, plus the amount reported in Schedule RC-Q, item 4, column A, “Total fair value reported on Schedule RC” for loans and leases held for investment, must equal Schedule RC, item 4.b, “Loans and leases held for investment.”

Part II. Disaggregated Data on the Allowances for Credit Losses**General Instructions for Part II**

Part II, items 1 through 6, of this schedule have two columns for the disclosure of disaggregated information by portfolio category on the amortized cost basis of held-for-investment loans and leases and the related balance in the allowance for credit losses on loans and leases at the end of each quarter (excluding loans held for investment that the institution has elected to report at fair value under a fair value option).

Part II, items 7 through 11, of this schedule provide for the disclosure of information on the allowance for credit losses on held-to-maturity debt securities disaggregated by portfolio category at the end of each quarter.

Institutions that have not adopted [ASU 2016-13](#) should complete only Schedule RI-C, Part I, Disaggregated Data on the Allowance for Loans and Leases, and should leave the data items reported in Part II blank.

Item Instructions for Part II

Loans and Leases Held for Investment

The loan and lease portfolio categories for which allowance and related amortized cost amounts are to be reported in Schedule RI-C, Part II, 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 amortized cost basis of the related loans and leases in the Schedule RI-C, Part II, general loan category that best corresponds to the characteristics of the related loans and leases.¹

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.

For each of the specified general categories of loans and leases held for investment, report in column A, “Amortized Cost,” the amortized cost basis of all loans and leases held for investment. The amortized cost amount reported in Schedule RI-C, Part II, item 6, Column A, “Total,” plus the fair value of loans held for investment reported in Schedule RC-Q, item 4, column A, 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 amortized cost amounts reported in column A must be net of unearned income.

For each of the specified general categories of loans and leases held for investment, report in column B, “Allowance Balance,” the related balance of the allowance for credit losses measured in accordance with ASC Subtopic 326-20.

Item No. Caption and Instructions

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| 1 | <u>Real estate loans:</u> |
| 1.a | <u>Construction loans.</u> Report in column A the amortized cost basis of held-for-investment construction loans and in column B the related balance in the allowance for credit losses for such loans. 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 column A the amortized cost basis of held-for-investment commercial real estate loans and in column B the related balance in the allowance for credit losses for such loans. 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 column A the amortized cost basis of held-for-investment residential real estate loans and in column B the related balance in the allowance for credit losses for such loans. Exclude loans that the institution has elected to report at fair value under a fair value option. |

¹ 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.

Part II. (cont.)**Item No. Caption and Instructions**

- 2 Commercial loans.** Report in column A the amortized cost basis of held-for-investment commercial loans and in column B the related balance in the allowance for credit losses for such loans. 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 the other items of this Schedule RI-C, Part II. Exclude loans that the institution has elected to report at fair value under a fair value option.
- 3 Credit cards.** Report in column A the amortized cost basis of held-for-investment extensions of credit arising from credit cards and in column B the related balance in the allowance for credit losses for such extensions of credit. Exclude loans that the institution has elected to report at fair value under a fair value option.
- 4 Other consumer loans.** Report in column A the amortized cost basis of held-for-investment consumer loans other than credit cards and in column B the related balance in the allowance for credit losses for such loans. Exclude loans that the institution has elected to report at fair value under a fair value option.
- 5 Unallocated, if any.** Report in column B the amount of any unallocated portion of the allowance for credit losses on loans and leases. An institution is not required to have an unallocated portion of the allowance. An institution should only have an unallocated portion of its allowance for credit losses that is appropriately supported and documented, and such an amount would be acceptable only as part of management's best estimate of current expected credit losses.
- 6 Total.** Report the sum of items 1.a through 5. The total of column A plus the amount reported in Schedule RC-Q, item 4, column A, "Total fair value reported on Schedule RC" for loans and leases held for investment, must equal Schedule RC, item 4.b, "Loans and leases held for investment." The total of 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 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.

Item No. Caption and Instructions

- 7 Securities issued by states and political subdivisions in the U.S.** 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 Mortgage-backed securities (MBS) (including CMOs, REMICs, and stripped MBS).** 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 Asset-backed securities and structured financial products.** 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).

Part II. (cont.)**Item No. Caption and Instructions**

- 10** **Other debt securities.** Report the allowance for credit losses on categories of held-to-maturity debt securities not reported in items 7 through 9, above.
- 11** **Total.** 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.