

## **FFIEC 031 Draft Reporting Form and Instructions for Call Report Revisions Related to the Standardized Approach for Counterparty Credit Risk (SA-CCR)**

The following draft reporting form and draft instructions, both of which are subject to change, present the pages from the FFIEC 031 Call Report as they are proposed to be revised as of the December 31, 2021, report date. These proposed revisions related to SA-CCR are described in the federal banking agencies' [initial 60-day Paperwork Reduction Act \(PRA\) Federal Register notice](#) published on July 22, 2021. As discussed in the agencies' final PRA *Federal Register* notice published in the Federal Register on November 4, 2021, the agencies are proceeding with the SA-CCR related revisions to the FFIEC 031 Call report as proposed, subject to final approval by the U.S. Office of Management and Budget.

The banking agencies issued the [Standardized Approach on Counterparty Credit Risk](#) (SA-CCR) final rule on January 24, 2020. The proposed revisions include a new item that would be added to Schedule RC-R, Part I to identify institutions that have chosen to early adopt or voluntarily elect to use SA-CCR.

The initial and final PRA *Federal Register* notice is available on the FFIEC's webpage for the [FFIEC 031 Call Report](#).

Draft as of November 4, 2021

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# Schedule RC-R—Continued

## Part I—Continued

	Dollar Amounts in Thousands	RCFA	Amount									
<b>Additional Tier 1 Capital</b>												
20. Additional tier 1 capital instruments plus related surplus .....		P860		20.								
21. Non-qualifying capital instruments subject to phase-out from additional tier 1 capital .....		P861		21.								
22. Tier 1 minority interest not included in common equity tier 1 capital .....		P862		22.								
23. Additional tier 1 capital before deductions (sum of items 20, 21, and 22) .....		P863		23.								
24. LESS: Additional tier 1 capital deductions .....		P864		24.								
25. Additional tier 1 capital (greater of item 23 minus item 24, or zero) .....		P865		25.								
<b>Tier 1 Capital</b>												
26. Tier 1 capital <sup>1</sup> .....		8274		26.								
<b>Total Assets for the Leverage Ratio</b>												
27. Average total consolidated assets <sup>2</sup> .....		KW03		27.								
28. LESS: Deductions from common equity tier 1 capital and additional tier 1 capital <sup>3</sup> .....		P875		28.								
29. LESS: Other deductions from (additions to) assets for leverage ratio purposes .....		B596		29.								
30. Total assets for the leverage ratio (item 27 minus items 28 and 29) .....		A224		30.								
<b>Leverage Ratio*</b>												
31. Leverage ratio (item 26 divided by item 30) .....		7204		31.								
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"></td> <td style="width: 10%; text-align: center;">0=No</td> <td style="width: 10%; text-align: center;">RCOA</td> <td style="width: 10%;"></td> </tr> <tr> <td>a. Does your institution have a community bank leverage ratio (CBLR) framework election in effect as of the quarter-end report date? (enter "1" for Yes; enter "0" for No) .....</td> <td style="text-align: center;">1=Yes</td> <td style="text-align: center;">LE74</td> <td style="text-align: center;">31.a.</td> </tr> </table>						0=No	RCOA		a. Does your institution have a community bank leverage ratio (CBLR) framework election in effect as of the quarter-end report date? (enter "1" for Yes; enter "0" for No) .....	1=Yes	LE74	31.a.
	0=No	RCOA										
a. Does your institution have a community bank leverage ratio (CBLR) framework election in effect as of the quarter-end report date? (enter "1" for Yes; enter "0" for No) .....	1=Yes	LE74	31.a.									
<p>If your institution entered "1" for Yes in item 31.a:</p> <ul style="list-style-type: none"> <li>• Complete items 32 through 37 and, if applicable, items 38.a through 38.c,</li> <li>• Do <u>not</u> complete items 39 through 55.b, and</li> <li>• Do <u>not</u> complete Part II of Schedule RC-R.</li> </ul> <p>If your institution entered "0" for No in item 31.a:</p> <ul style="list-style-type: none"> <li>• Skip (do not complete) items 32 through 38.c,</li> <li>• Complete items 39 through 55.b, as applicable, and</li> <li>• Complete Part II of Schedule RC-R.</li> </ul>												

← Insert A

\* Report each ratio as a percentage, rounded to four decimal places, e.g., 12.3456.

1. All non-advanced approaches institutions should report the sum of item 19, column A, and item 25 in item 26; all advanced approaches institutions should report the sum of item 19, column B, and item 25 in item 26.
2. Institutions that have adopted ASU 2016-13 and have elected to apply the 3-year or the 5-year 2020 CECL transition provision should include the applicable portion of the CECL transitional amount or the modified CECL transitional amount, respectively, in item 27.
3. All non-advanced approaches institutions should report in item 28 the sum of items 6, 7, 8, 10.b, 13.a, 14.a, 15.a, 17 (column A), and certain elements of item 24 - see instructions; all advanced approaches institutions should report in item 28, the sum of items 6, 7, 8, 10.b, 11, 13.b, 14.b, 15.b, 16, 17 (column B), and certain elements of item 24 - see instructions.

4. For the December 31, 2021, report date only, advanced approaches institutions that adopt SA-CCR prior to the mandatory compliance date should enter "1" in item 31.b.

# Insert A

Item 31.b is to be completed only by non-advanced approaches institutions that elect to use the Standardized Approach for Counterparty Credit Risk (SA-CCR) for purposes of the standardized approach and supplementary leverage ratio. <sup>4</sup>

b. Standardized Approach for Counterparty Credit Risk opt-in election  
(enter "1" for Yes; leave blank for No.)

	RCOA	
1=Yes	NC99	

31.b

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

**NOTE:** Item 31.b is to be completed by non-advanced approaches institutions that elect to use the Standardized Approach for Counterparty Credit Risk (SA-CCR) for purposes of the standardized approach and supplementary leverage ratio (as applicable) and advanced approaches institutions that adopt SA-CCR prior to the mandatory compliance date. Other institutions should leave this item blank.

**31.b    Standardized Approach for Counterparty Credit Risk opt-in election:** A non-advanced approaches institution may continue to use Current Exposure Method or elect to use SA-CCR for purposes of the standardized approach and supplementary leverage ratio (as applicable). Where a banking institution has the option to choose among the approaches applicable to such institution under the capital rule, it must use the same approach for all purposes. For advanced approaches institutions, adoption of the SA-CCR methodology is mandatory beginning January 1, 2022 and voluntary prior to that date. The SA-CCR rule provides advanced and non-advanced approaches institutions the option to adopt SA-CCR for purposes of standardized total risk-weighted assets and, if applicable, the supplementary leverage ratio, beginning with the first quarter of 2020.<sup>1</sup>

Non-advanced approaches institutions that elect to use SA-CCR and advanced approaches institutions that adopt SA-CCR prior to the mandatory compliance date must notify their appropriate federal supervisor. These institutions would complete this item as prescribed below:

An advanced approaches institution that elects to early adopt SA-CCR prior to the mandatory compliance date would enter “1” for “Yes” in this item 31.b. An advanced approaches institution that does not early adopt SA-CCR should leave item 31.b blank.

A non-advanced approaches institution that adopts SA-CCR would enter “1” for “Yes” in item 31.b. A non-advanced approaches institution that does not make a SA-CCR opt-in election should leave item 31.b blank. A non-advanced approaches institution must use the same methodology to calculate the exposure amount for all its derivative contracts and, if a banking institution has elected to use SA-CCR, a banking institution may change its election only with prior approval of its appropriate federal supervisor.

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<sup>1</sup> See 12 CFR 3 (OCC); 12 CFR 217 (Board); 12 CFR 324 (FDIC).