



SLR Draft

Instructions for Preparation of

# Consolidated Financial Statements for Holding Companies

Reporting Form FR Y-9C

Effective ~~March 2025~~

June 2026

DRAFT

---

# Contents for Y-9C Instructions

## Organization of the Instruction Book

The instruction book is divided into three sections:

- (1) The General Instructions describing overall reporting requirements.
- (2) The Line Item Instructions for each schedule of the report for the consolidated holding company.
- (3) The Glossary presenting, in alphabetical order, definitions and discussions of accounting treatments under generally accepted accounting principles (GAAP) and other topics that require more extensive treatment than is practical to include in the line item instructions or that are relevant to several line items or to the overall preparation of these reports.

In determining the required treatment of particular transactions or portfolio items or in determining the defini-

tions and scope of the various items, the General Instructions, the line item instructions, and the Glossary (all of which are extensively cross-referenced) must be used jointly. A single section does not necessarily give the complete instructions for completing all the items of the reports. The instructions and definitions in section (2) are not necessarily self-contained; reference to more detailed treatments in the Glossary may be needed. However, the Glossary is not, and is not intended to be, a comprehensive discussion of accounting principles or reporting.

Additional copies of this instruction book may be obtained from the Federal Reserve Bank in the district where the reporting holding company submits its FR Y-9C reports, or may be found on the Federal Reserve Board's public website ([www.federalreserve.gov](http://www.federalreserve.gov)).

---

# Contents

## GENERAL INSTRUCTIONS FOR PREPARATION OF FINANCIAL STATEMENTS FOR HOLDING COMPANIES

|  |       |
|--|-------|
| <b>Who Must Report</b> .....   | GEN-1 |
| A. Reporting Criteria .....  | GEN-1 |
| B. Exemptions from Reporting the Holding Company Statements .....                            | GEN-2 |
| C. Shifts in Reporting Status .....  | GEN-2 |
| <b>Where to Submit the Reports</b> .....   | GEN-2 |
| <b>When to Submit the Reports</b> .....  | GEN-3 |
| <b>How to Prepare the Reports</b> .....  | GEN-3 |
| A. Applicability of GAAP, Consolidation Rules and SEC Consistency .....                      | GEN-3 |
| Scope of the “consolidated holding company” to be reported in the<br>submitted reports ..... | GEN-3 |
| Rules of consolidation .....   | GEN-4 |
| Reporting by type of office (for holding companies with foreign offices) .....               | GEN-4 |
| Exclusions from coverage of the consolidated report .....                                    | GEN-4 |
| B. Report Form Captions, Non-applicable Items and Instructional Detail .....                 | GEN-5 |
| C. Rounding .....  | GEN-5 |
| D. Negative Entries .....  | GEN-6 |
| E. Confidentiality .....   | GEN-7 |
| F. Verification and Signatures .....   | GEN-7 |
| G. Amended Reports .....   | GEN-7 |

---

# Contents

## LINE ITEM INSTRUCTIONS FOR THE CONSOLIDATED FINANCIAL STATEMENTS FOR HOLDING COMPANIES

|   |             |
|---|-------------|
| Schedule HI—Consolidated Income Statement .....   | HI-1        |
| Schedule HI-A—Changes in Equity Capital .....   | HI-A-1      |
| Schedule HI-B—Charge-Offs and Recoveries on Loans and Leases and Changes in<br>Allowances for Credit Losses ..... | HI-B-1      |
| Schedule HI-C—Disaggregated Data on the Allowance for Credit Losses .....   | HI-C-1      |
| Notes to the Income Statement—Predecessor Financial Items .....   | ISnotes-P-1 |
| Notes to the Income Statement—Other .....   | ISnotes-1   |
| Schedule HC—Consolidated Balance Sheet .....  | HC-1        |
| Schedule HC-B—Securities .....  | HC-B-1      |
| Schedule HC-C—Loans and Lease Financing Receivables .....   | HC-C-1      |
| Schedule HC-D—Trading Assets and Liabilities .....  | HC-D-1      |
| Schedule HC-E—Deposit Liabilities .....   | HC-E-1      |
| Schedule HC-F—Other Assets .....  | HC-F-1      |
| Schedule HC-G—Other Liabilities .....   | HC-G-1      |
| Schedule HC-H—Interest Sensitivity .....  | HC-H-1      |
| Schedule HC-I—Insurance-Related Underwriting Activities (Including Reinsurance) .....                             | HC-I-1      |
| Schedule HC-K—Quarterly Averages .....  | HC-K-1      |
| Schedule HC-L—Derivatives and Off-Balance Sheet Items .....   | HC-L-1      |
| Schedule HC-M—Memoranda .....   | HC-M-1      |
| Schedule HC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets .....                                       | HC-N-1      |
| Schedule HC-P—Closed-End 1-4 Family Residential Mortgage Banking Activities.....                                  | HC-P-1      |
| Schedule HC-Q—Financial Assets and Liabilities Measured at Fair Value .....                                       | HC-Q-1      |
| Schedule HC-R—Regulatory Capital .....  | HC-R-1      |
| Schedule HC-S—Servicing, Securitization, and Asset Sale Activities .....  | HC-S-1      |
| Schedule HC-V—Variable Interest Entities .....  | HC-V-1      |
| Notes to the Balance Sheet—Predecessor Financial Items .....  | BSnotes-P-1 |
| Notes to the Balance Sheet—Other.....   | BSnotes-1   |

---

## LINE ITEM INSTRUCTIONS FOR

# Regulatory Capital Schedule HC-R

### General Instructions for HC-R

The instructions for Schedule HC-R, Parts I and II, should be read in conjunction with the revised regulatory capital rules issued by the Board on July 2, 2013. [12 CFR Part 217](#).

### Schedule HC-R, Part I Regulatory Capital Components and Ratios

#### General Instructions for Part I

Schedule HC-R, part I, has two columns for items 11 through 19. Items 11 through 19 in column A is to be completed by non-advanced approaches holding companies (including holding companies subject to Category III capital standards<sup>1</sup>) and items 11 through 19 in column B are to be completed by advanced approaches holding companies.<sup>2</sup>

---

1. Category III holding company include institutions, which are not advanced approaches holding companies, that have (1) at least \$250 billion in average total consolidated assets or (2) at least \$100 billion in average total consolidated assets and at least \$75 billion in average total nonbank assets, average weighted short-term wholesale funding; or average off-balance sheet exposure.

2. A holding company that is subject to the advanced approaches capital rule (i.e., an advanced approaches institution as defined in the Board's capital rules) is (i) global systemically important bank holding company, as identified pursuant to 12 CFR 217.402; (ii) a Category II institution; (iii) is a subsidiary of a holding company that uses the advanced approaches pursuant to 12 CFR part 217 (Board) to calculate its risk-based capital requirements; or (iv) a holding company that elects to use the advanced approaches to calculate its risk-based capital requirements.

Category II institutions include institutions with (1) at least \$700 billion in total consolidated assets or (2) at least \$75 billion in cross-jurisdictional activity and at least \$100 billion in total consolidated assets. In addition,

### Community Bank Leverage Ratio (CBLR) Framework:

#### *Opt-in to the CBLR framework*

A qualifying holding company may opt in to use the CBLR framework. Qualifying holding companies opt into and out of the CBLR framework through their FR Y-9C. A qualifying holding company that opts into the CBLR framework (electing holding company) must complete Schedule HC-R, Part I, items 1 through 36, and can make that election on Schedule HC-R, Part I, item 31.a. A qualifying holding company can opt out of the CBLR framework by completing Schedule HC-R, Part I and Part II, excluding Schedule HC-R, Part I, items 32 through 36. However, the Board may disallow an otherwise qualifying holding company use of the CBLR framework based on the Board's evaluation of the risk profile of the holding company.

On April 23, 2020, the federal banking agencies published two interim final rules to provide temporary relief to community banking organizations with respect to the CBLR framework, and the final rule became effective November 9, 2020, with no changes to the interim final rules. The final rule provides community banking organizations with a clear and gradual transition, by January 1, 2022, back to the greater than 9 percent leverage ratio qualifying criterion previously established by the agencies. The other qualifying criteria in the CBLR framework have not been modified by the final rule.

A qualifying holding company with a leverage ratio that exceeds the applicable leverage ratio requirement and opts into the CBLR framework shall be considered to have met: (i) the generally applicable risk-based and leverage capital requirements in the agencies' capital rules; (ii) the capital ratio requirements to be considered

---

depository institution subsidiaries of Category II institutions are considered Category II institutions.

# Schedule HC-R

## the leverage buffer requirements under the capital rule

### (ii) *IHCs of foreign GSIBs—has been identified as a non-resolution IHC pursuant to 12 CFR 252.164:*

Report the IHC's TLAC risk-weighted buffer as a percentage, rounded to four decimal places, which is calculated as:

The IHC's common equity tier 1 capital ratio (the lower of Schedule HC-R, Part I, item 47, Column A and Column B, if applicable) (expressed as a percentage), minus the greater of zero and the following amount:

- (1) 16 percent; minus
- (2) The ratio (expressed as a percentage) of the IHC's additional tier 1 capital (as reported on Schedule HC-R, Part I, item 25), minus any additional tier 1 minority interest (as reported on Schedule HC-R, Part I, item 22), held by a company that is incorporated or organized outside of the United States and that directly or indirectly controls the IHC, to its total risk-weighted assets (the larger of Schedule HC-R, Part I, items 46.a and 46.b, if applicable); and minus
- (3) The ratio (expressed as a percentage) of the IHC's outstanding eligible long-term debt amount (as reported on Schedule HC-R, Part I, item 54) to total risk-weighted assets (the larger of Schedule HC-R, Part I, items 46.a and 46.b, if applicable).

If the TLAC total risk weighted asset ratio, as reported in line item 56, Column B, or, if applicable, item 57, Column B, are less than or equal to 18 percent, the IHC's TLAC risk-weighted buffer level should be reported as zero.

### (iii) *IHCs of U.S. GSIBs—has been identified as a non-resolution IHC pursuant to 12 CFR 252.164:*

The IHC's common equity tier 1 capital ratio (the lower of Schedule HC-R, Part I, item 47, Column A and Column B, if applicable) (expressed as a percentage), minus the greater of zero and the following amount:

- (1) 18 percent; minus
- (2) The ratio (expressed as a percentage) of the IHC's additional tier 1 capital (as reported on Schedule HC-R, Part I, item 25), minus any additional tier 1 minority interest (as reported on Sched-

ule HC-R, Part I, item 22), to its total risk-weighted assets (the larger of Schedule HC-R, Part I, items 46.a and 46.b, if applicable); and minus

- (3) The ratio (expressed as a percentage) of the IHC's outstanding eligible long-term debt amount (as reported on Schedule HC-R, Part I, item 54) to total risk-weighted assets (the larger of Schedule HC-R, Part I, items 46.a and 46.b, if applicable).

If the TLAC total risk weighted asset ratio, as reported in line item 56, Column B, or, if applicable, item 57, Column B, are less than or equal to 18 percent, the IHC's TLAC risk-weighted buffer level should be reported as zero.

## maintain

### Line item 62(b) TLAC leverage buffer.

Line item 62(b) should only be reported by top-tier BHCs of U.S. GSIBs.

In order to avoid limitations on distributions, including dividend payments, and certain discretionary bonus payments to executive officers, a top-tier BHC of a U.S. GSIB must hold a TLAC buffer above its minimum leverage TLAC requirements greater than 2.0 percent.

Otherwise, the top-tier BHC of a U.S. GSIB will face limitations on distributions and certain discretionary bonus payments and will be required to complete Schedule HC-R Part I, items 66 through 69.

Report the top-tier BHC's TLAC leverage buffer as a percentage, rounded to four decimal places, which is calculated as:

The top-tier BHC's supplementary leverage ratio (as reported on Schedule HC-R, Part I, item 53) (expressed as a percentage), minus the greater of zero and the following amount:

- (1) 7.5 percent; minus
- (2) The ratio (expressed as a percentage) of the top-tier BHC's outstanding eligible external long-term debt amount to total leverage exposure (as reported on Schedule HC-R, Part I, item 59, Column A).

If the TLAC supplementary leverage ratio, as reported in line item 59, Column B, is less than or equal to 7.5 percent, the top-tier BHC's external TLAC leverage buffer level should be reported as zero.

## Schedule HC-R

an amount equal to 50 percent of their most recent method 1 surcharge as determined under 12 CFR 217.403(b) of the capital rule, subject to the effective date provisions of 12 CFR 217.403(d)

### Leverage Buffer and Requirements for Holding Companies Subject to the Capital Plan Rule

#### Line Item 63 Total leverage exposure for the supplementary leverage ratio (SLR) (if applicable)

Advanced approaches and Category III holding companies must report the total leverage exposure from FFIEC 101 Schedule A, Table 2, Item 2.21.

#### Line Item 64 Leverage buffer requirement (if applicable)

All GSIB holding companies report ~~2.0000 percent~~.

All non-GSIB holding companies report 0.0000 percent.

#### Line Item 65 Leverage ratio buffer (if applicable)

For all GSIB holding companies, report the leverage buffer as a percentage, rounded to four decimal places, if applicable, from FFIEC 101 Schedule A, Table 2, Item 2.23.

The leverage buffer is equal to Schedule HC-R, item 53, less 3.0000 percent, which is the minimum leverage buffer requirement under section 10(a)(5) of the regulatory capital rules. However, if the holding company's leverage buffer calculated above is less than zero (i.e., is negative), the holding company's leverage buffer is zero.

### Maximum Payout Ratios and Amounts for Holding Companies Subject to the Capital Plan Rule:

#### Line Item 66 Eligible retained income.

Report the amount of eligible retained income as the greater of (1) a holding company's net income for the four preceding calendar quarters, net of any distributions and associated tax effects not already reflected in net income, and (2) the average of holding company's net income over the four preceding calendar quarters. (See the instructions for Schedule HC-R, Part I, item 52, for the definition of "distributions" from section 2 of the regulatory capital rules.)

For Schedule HC-R, Part I, item 59, the four preceding calendar quarters refers to the calendar quarter ending on the last date of the reporting period and the three preceding calendar quarters as illustrated in the example below. The average of an holding company's net income over the four preceding calendar quarters refers to average of three- month net income for the calendar quarter

ending on the last date of the reporting period and the three-month net income for the three preceding calendar quarters as illustrated in the example below.

#### Example and a worksheet calculation:

##### Assumptions:

- Eligible retained income is calculated for FR Y-9C report date of March 31, 2021.
- The holding company reported the following on its FR Y-9C in Schedule HI, *Income Statement*, item 14, "Net income (loss) attributable to holding company (item 12 minus item 13)":

| FR Y-9C Report Date | Amount Reported in Item 14 | Three Month Net Income |
|---------------------|----------------------------|------------------------|
| March 31, 2020      | \$400 (A)                  | \$400                  |
| June 30, 2020       | \$900 (B)                  | \$500 (B-A)            |
| September 30, 2020  | \$1,500 (C)                | \$600 (C-B)            |
| December 31, 2020   | \$1,900 (D)                | \$400 (D-C)            |
| March 31, 2021      | \$200 (E)                  | \$200 (E)              |

- The distributions and associated tax effects not already reflected in net income (e.g., dividends declared on the holding company's common stock between April 1, 2020, and March 31, 2021) in this example are \$400 per each of the four preceding calendar quarters.

|  | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 |
|--|---------|---------|---------|---------|
| Net Income   | \$500   | \$600   | \$400   | \$200   |
| Adjustments for distributions and associated tax effects not already reflected in net income | (\$400) | (\$400) | (\$400) | (\$400) |
| Adjusted Net Income (Net Income – Adjustments)   | \$100   | \$200   | \$0     | (\$200) |