



unused commitments with an original maturity of one year or less will now be subject to a 20 percent credit conversion factor under the revised regulatory capital rules, Part II will begin to capture data on the face value or notional amount of, credit equivalent amount of, and risk-weight category allocations for such unused commitments (item 18.a of Part II). Institutions also would report the amount of unconditionally cancelable commitments (item 19 of Part II). Repo-style transactions (which include securities lent, securities borrowed, securities purchased under agreements to resell, and securities sold under agreements to repurchase) and unsettled transactions constitute new types of items subject to risk weighting (items 16 and 22, respectively, of Part II). The credit equivalent amounts and risk-weight category allocations for over-the-counter (OTC) and centrally cleared derivatives will be reported separately (items 20 and 21 of Part II). Similarly, the remaining maturities of OTC and centrally cleared derivatives will be reported separately by underlying risk exposure in the Memoranda section of revised Part II (Memorandum items 2 and 3 of Part II).

Under the revised regulatory capital rules, certain exposures are subject to risk weighting approaches that may produce risk-weighted asset amounts that differ from those resulting from the application of the standard risk-weight categories. These exposures include, for example, investments in mutual funds and other investment funds, separate account bank-owned life insurance, and exposures collateralized by securitization exposures or mutual funds. For these exposures, the exposure amounts and risk-weighted asset amounts (Columns R and S of Part II) will be reported separately from the standard risk-weight category allocations (Columns C through Q of Part II) that apply to the other exposures included within the same asset, derivative, off-balance sheet item, or other item category.

As with the previous version of Schedule RC-L, institutions will report risk-weighted asset totals by risk-weight category in the section of revised Part II that follows the sections for allocating assets, derivatives, off-balance-sheet items, and other items subject to risk weighting by risk-weight category (item 23 of Part II). Using these category totals, institutions will then calculate their total risk-weighted assets (item 21 of Part II) after taking into account any standardized market risk-weighted assets (if applicable), excess allowance for loan and lease losses, and allocated transfer risk reserves (items 24, 25, and 30, respectively, of Part II).

Through December 31, 2014, securities borrowed were reported and disclosed in Schedule RC-L (item 9) only if the amount exceeded specified thresholds. Effective March 31, 2015, subject to OMB approval, institutions will be required to report securities borrowed in Schedule RC-L regardless of amount (item 6). Securities borrowed also will be included in repo-style transactions in revised Part II of schedule RC-R (item 16 of Part II).

For further information, institutions should refer to the reporting forms for revised Part II of Schedule RC-L and the limited revision to Schedule RC-L, as well as the draft instructions, which are available on the FFIEC's Web site ([http://www.ffiec.gov/ffiec\\_report\\_forms.htm](http://www.ffiec.gov/ffiec_report_forms.htm)).