

OPTIONAL REGULATORY CAPITAL WORKSHEET

WORKSHEET PART 1.

Schedule	Item #	Amount	Item Name/Comments
CALCULATION OF ELIGIBLE TIER 1 CAPITAL			
Components of Tier 1 Capital:			
1. RC	24 plus 25		Common stock and surplus
2. RC	26.a plus 27		Undivided profits and F/X translation adjustment
3. RC-B	6 col. C minus		Unrealized loss on equity securities (subtract
RC-B	6 col. D		total of items 6.a and b, column D, from total of
			items 6.a and b, column C; however, if the
			amount is negative, enter zero)
4. RC-M	9		Qualifying perpetual preferred stock & related
			surplus
5. RC-G	3		Qualifying minority interest in the equity accounts
			of consolidated subsidiaries (exclude
			nonqualifying portions)
6. <i>Line 1, plus line 2 minus line 3, plus lines 4 and 5</i>			"Gross" Tier 1 Capital
Adjustments to Tier 1 Capital:			
7. RC-M	6.b.(2)		LESS: All other identifiable intangible assets
8. RC-M	6.c.		LESS: Goodwill
9. RC-M	6.e.		PLUS: Intangible assets that have been
			grandfathered or are otherwise qualifying for
			regulatory capital purposes
10. <i>Line 6 minus lines 7 and 8 plus line 9</i>			"Adjusted Gross" Tier 1 Capital
11. <i>25% of line 10</i>			Limitation on the amount of purchased credit card relationships (PCCRs) that may be held as an asset
12. <i>50% of line 10</i>			Limitation on the total amount of mortgage servicing assets (MSAs) and PCCRs that can be held as assets
13. RC-M 6.b.(1)			Intangible assets: PCCRs (If 90% of the fair value of PCCRs is less than RC-M, item 6.b.(1), enter 90% of the fair value on line 13 and add the difference to line 14)
14. <i>Line 13 minus line 11</i>			Disallowed PCCRs: If line 13 minus line 11 is a negative number, enter 0; otherwise, enter the difference
15. RC-M 6.a.			Intangible assets: MSAs (If 90% of the fair value of MSAs, as reported in RC-M, item 6.a.(1), is less than RC-M, item 6.a, enter 90% of the fair value on line 15 and add the difference to line 17)
16. <i>Line 15 plus the lesser of line 11 or line 13</i>			MSAs plus the qualifying portion of PCCRs
17. <i>Line 16 minus 12</i>			Disallowed MSAs and PCCRs based on an

	aggregate limitation (If line 16 minus line 12 is a negative number, enter 0; otherwise, enter the difference)
18. RC-F Memo #1	
19. Sum of lines 14, 17 and 18	
20. Line 10 minus line 19	
CALCULATION OF ELIGIBLE TIER 2 CAPITAL	
Components of Tier 2 Capital:	
21. RC-R 2.a	Portion of qualifying subordinated debt and intermediate-term preferred stock and related surplus that is includable in Tier 2 capital
22. RC-R 2.b	Portion of other qualifying limited-life capital instruments that is includable in Tier 2 capital
23. RC 23 minus 9 RC-M	Cumulative perpetual preferred stock
24. RC-M 7	Mandatory convertible debt, net of common or perpetual preferred stock dedicated to redeem the debt
25. Sum of lines 21, 22, 23 and 24	Tier 2 capital components BEFORE the addition of qualifying allowance for loan and lease losses (ALLL)²
Calculation of Risk-Weighted Assets:	
26. "Gross" risk-weighted assets from Worksheet Part 2, Row 28 [or from of "gross" risk-weighted assets excluding assets deducted for capital purposes, but before deducting any excess (disqualified) ALLL and any allocated transfer risk reserve]	" Gross " Risk-Weighted Assets excluding assets deducted for capital purposes, but before deducting any excess (disqualified) allowance for loan and lease losses and any allocated transfer bank's own calculation risk reserve.
Constraint on Allowance for Loan and Lease Losses (ALLL):	
27. 1.25% of line 26	Maximum amount of ALLL permitted in Tier 2 capital
28. RC 4.b.	Allowance for Loan and Lease Losses (ALLL)
29. Enter the lesser of lines 27 or 28	Amount of the ALLL allowed in Tier 2 capital
30. Subtract line 29 from 28	Excess (disqualified) ALLL (report in Schedule RC-R, item 3.d)
31. Add lines 25 and 29	Eligible Tier 2 capital
32. Enter the lesser of lines 20 or 31	Tier 2 Capital (report in Schedule RC-R, item 3.b)
33. RC-M Memo 1.a (from 12-31-96 Call Report) and from bank records	Reciprocal holdings of bank capital instruments plus investments, both equity and debt, in unconsolidated banking and finance subsidiaries that are deemed to be capital of the subsidiary, plus any other assets that must be deducted when determining total risk-based capital in accordance with the requirements of the bank's primary federal supervisory authority.
34. Line 20 plus line 32 minus line 33	Total Risk-Based Capital (report in Schedule RC-R, item 3.c)

CALCULATION OF RISK-BASED CAPITAL (RBC) RATIOS

35. RC 4.c.	_____	Allocated Transfer Risk Reserve (ATRR)
36. Line 26 minus the sum of lines 30 and 35	_____	Risk-Weighted Assets (after deduction of all disallowed intangibles, disallowed deferred tax assets, the excess ALLL, and ATRR) [report in Schedule RC-R, item 3.e]
37. Divide line 34 by line 36 and multiply by 100	_____	% Total RBC Ratio
38. Divide line 20 by line 36 and multiply by 100	_____	% Tier 1 RBC Ratio

¹Banks should add to this line the amount of any other assets that must be deducted when determining Tier 1 capital in accordance with the requirements of their primary federal supervisory authority.

²Banks that file FFIEC 034 may add the amount shown on RC item 28.b. to this sum -- losses deferred pursuant to 12 U.S.C. 1823(j).

Inactive