Federal Reserve System

§ 208.43 Capital measures and capital category definitions.

(a) Capital measures. (1) Capital measures applicable before January 1, 2015. On or before December 31, 2014, for purposes of section 38 of the FDI Act and this subpart, the relevant capital measures for all banks are:

(i) Total Risk-Based Capital Measure: the total risk-based capital ratio;

(ii) Tier 1 Risk-Based Capital Measure: the tier 1 risk-based capital ratio; and

(iii) Leverage Measure: the leverage ratio.

(2) Capital measures applicable after January 1, 2015. On January 1, 2015, and thereafter, for purposes of section 38 and this subpart, the relevant capital measures are:

(i) Total Risk-Based Capital Measure: the total risk-based capital ratio;

(ii) Tier 1 Risk-Based Capital Measure: the tier 1 risk-based capital ratio;

(iii) Common Equity Tier 1 Capital Measure: the common equity tier 1 risk-based capital ratio; and

(iv) Leverage Measure:

(A) The leverage ratio, and

(B) With respect to an advanced approaches bank, on January 1, 2018, and thereafter, the supplementary leverage ratio.

(b) Capital categories applicable before January 1, 2015. On or before December 31, 2014, for purposes of section 38 of the FDI Act and this subpart, a member bank is deemed to be:

(1) “Well capitalized” if:

(i) Total Risk-Based Capital Measure: the bank has a total risk-based capital ratio of 10.0 percent or greater;

(ii) Tier 1 Risk-Based Capital Measure: the bank has a tier 1 risk-based capital ratio of 6.0 percent or greater;