

**RISK-WEIGHT CATEGORIES AND ASSOCIATED RISK-WEIGHTS**

<i>Risk-Weight Category</i>	<i>Risk-Weight</i>	<i>Items Included</i>
Category 1	0 percent	<p>Cash, currency, and coin</p> <p>Share-secured loans, where the shares securing the loan are on deposit with the credit union</p> <p>Insured balances due from FDIC insured depositories or federally insured credit unions</p> <p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• U.S. government obligations, excluding interest-only mortgage-backed security STRIPS</li> <li>• Balances due from Federal Reserve banks</li> <li>• Debt instruments issued by NCUA and FDIC, and</li> <li>• Central Liquidity Facility stock</li> </ul>
Category 2	20 percent	<p>Balances due from Federal Home Loan Banks</p> <p>The balance of share-secured loans, where shares securing the loan are on deposit with another depository institution</p> <p>The <b><i>uninsured balances</i></b> due from:</p> <ul style="list-style-type: none"> <li>• FDIC-insured depositories</li> <li>• Federally insured credit unions, and</li> <li>• All balances due from privately-insured credit unions</li> </ul> <p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• A non-subordinated obligation of the U.S. Government, its central bank, or a U.S government agency that is conditionally guaranteed, excluding interest-only mortgage-backed STRIPS</li> <li>• A non-subordinated obligation of a GSE other than an equity exposure or preferred stock, excluding interest-only GSE obligation STRIPS</li> <li>• Securities issued by PSEs in the United States that represent general obligation securities</li> <li>• Part 703 compliant investment funds that are restricted to holding only investments that qualify for a zero or 20 percent risk-weight under this section</li> <li>• Federal Home Loan stock</li> </ul>
Category 3	50 percent	<p><b><i>Outstanding balance</i></b> minus the portion of the loan, if any, that is guaranteed by the government, for:</p> <ul style="list-style-type: none"> <li>• Current first-lien residential real estate loans less</li> </ul>

		<p>than or equal to 35 percent of assets</p> <p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• Securities issued by PSEs in the U.S. that represent non-subordinated revenue obligation securities.</li> <li>• Other non-subordinated, non-U.S. Government agency or non-GSE guaranteed, residential mortgage-backed securities, excluding interest-only STRIPS</li> </ul>
Category 4	75 percent	<p><b><i>Outstanding balance</i></b> minus the portion of the loan, if any, that is guaranteed by the government, for:</p> <ul style="list-style-type: none"> <li>• Current first-lien residential real estate loans greater than 35 percent of assets</li> <li>• Current secured consumer loans</li> </ul>
Category 5	100 percent	<p>The <b><i>outstanding balance</i></b> minus the portion of the loan, if any, that is guaranteed by the government, for:</p> <ul style="list-style-type: none"> <li>• Noncurrent first-lien residential real estate loans</li> <li>• Current junior-lien residential real estate loans less than or equal to 20 percent of assets</li> <li>• Current unsecured consumer loans</li> <li>• Current commercial loans, less contractual compensating balances that comprise less than 50 percent of assets</li> <li>• Loans to CUSOs</li> </ul> <p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• Industrial development bonds</li> <li>• Interest-only mortgage-backed security STRIPS</li> <li>• Part 703 compliant investment funds, with the option to use the look-through approaches</li> <li>• Corporate debentures and commercial paper</li> <li>• Nonperpetual capital at corporate credit unions</li> <li>• General account permanent insurance</li> <li>• GSE equity exposure and preferred stock</li> <li>• Non-subordinated tranches of any investment, with the option to use the gross-up approach</li> </ul> <p>All other assets listed on the statement of financial condition not specifically assigned a different risk weight</p>
Category 6	150 percent	<p>The <b><i>outstanding balance</i></b> (minus the portion, if any, of the loan guaranteed by the government), of:</p> <ul style="list-style-type: none"> <li>• Current junior-lien residential real estate loans that</li> </ul>

		<p>comprise more than 20 percent of assets</p> <ul style="list-style-type: none"> <li>• Noncurrent junior-lien residential real estate loans</li> <li>• Consumer loans that are not current</li> <li>• Current commercial loans (net of contractual compensating balances), which comprise more than 50 percent of assets</li> <li>• Commercial loans (net of contractual compensating balances), which are not current</li> </ul> <p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• Equity investments in CUSOs</li> <li>• Perpetual contributed capital at corporate credit unions</li> </ul>
Category 7	250 percent	The carrying value of mortgage servicing assets
Category 8	300 percent	<p>The <b><i>exposure amount</i></b> of:</p> <ul style="list-style-type: none"> <li>• Publicly traded equity investment, other than a CUSO investment</li> <li>• Investment funds that are not in compliance with part 703.14(c) of this chapter, with the option to use the look-through approaches</li> <li>• Separate account insurance, with the option to use the look-through approaches</li> </ul>
Category 9	400 percent	The <b><i>exposure amount</i></b> of non-publicly traded equity investments, other than equity investments in CUSOs
Category 10	1,250 percent	The <b><i>exposure amount</i></b> of any subordinated tranche of any investment, with the option to use the gross-up approach