
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency**

For immediate release

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Agencies Finalize Technical Correction of Risk-Based Capital Rules

The Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) on Wednesday announced the finalization of a technical correction of the definition of "eligible guarantee" in the agencies' risk-based capital rules.

In April, the agencies proposed a rule to correct the definition of eligible guarantee by clarifying the types of guarantees that can be recognized for purposes of calculating a banking organization's regulatory capital. Banking organizations utilize eligible guarantees to reduce their credit risk to certain exposures. The correction impacts banking organizations that determine their regulatory capital ratios under the advanced approaches framework, which applies to large internationally active banking organizations--generally those with at least \$250 billion in total consolidated assets or at least \$10 billion in total on-balance sheet foreign exposures.

The final rule is substantially similar to the proposed rule and adopts the definition of eligible guarantee without change. To ensure consistent public disclosure of capital ratios, the agencies will allow advanced approaches banking organizations to adopt the final rule before the effective date.

The final rule is effective October 1, 2014.

[Final Rule on Advanced Approaches Risk-Based Capital Rule: Proposed Revisions to the Definition of Eligible Guarantee - PDF \(PDF Help\)](#)

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