



**Federal Deposit Insurance Corporation**

550 17th Street NW, Washington, DC 20429-9990

**Financial Institution Letter**

**FIL-37-2013**

**August 9, 2013**

**PROPOSED INTERAGENCY GUIDANCE ON COMPANY-RUN STRESS TESTS**

**Summary:** The federal banking agencies are issuing proposed interagency stress-testing guidance outlining principles for implementation of stress tests as mandated by Section 165(i)(2) of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (DFA). This guidance is applicable to all FDIC-supervised banks and savings associations with at least \$10 billion but less than \$50 billion in total consolidated assets. The guidance sets forth supervisory expectations for DFA stress-test practices and provides information about methodologies that institutions should use.

**Statement of Applicability to Institutions Under \$1 Billion in Total Assets:** This Financial Institution Letter is not applicable to FDIC-supervised banks and savings associations with total assets less than \$1 billion.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings)

**Suggested Routing:**

Chief Executive Officer  
Chief Finance Officer  
Chief Risk Officer

**Related Topics:**

Administrative Practice and Procedure, Banks, Banking, Reporting and Recordkeeping Requirements, State Savings Associations, Stress Tests

**Attachment:**

[Proposed Supervisory Guidance on Implementing Dodd-Frank Act Company-Run Stress Tests](#)

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**Note:**

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**Highlights:**

- The proposed guidance describes supervisory expectations for DFA stress-testing practices for institutions with total consolidated assets between \$10 billion and \$50 billion.
- The proposed guidance underscores the importance of stress testing as an ongoing risk management practice that supports an institution's forward-looking assessment of its risks and better equips the institution to address a range of macroeconomic and financial outcomes.
- The proposed guidance provides additional details to help these companies conduct stress tests based on their size, complexity, risk profile, business mix and market footprint.