



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, DC 20429

Division of Supervision

CAPITAL STANDARDS

FIL-54-2002
May 24, 2002

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: *Interagency Questions and Answers on the Capital Treatment of Recourse, Direct Credit Substitutes, and Residual Interests in Asset Securitizations*

The Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision have jointly prepared the attached "Interagency Questions and Answers on the Capital Treatment of Recourse, Direct Credit Substitutes, and Residual Interests in Asset Securitizations."

The document clarifies several issues arising from the agencies' final rule on the capital treatment of these exposures (see FIL-99-2001, dated November 29, 2001). The final rule has been in effect since January 1, 2002, for all new transactions and contains transitional guidance for previous transactions.

For more information, please contact Robert F. Storch, Chief, Accounting Section (202-898-8906), or Jason C. Cave, Senior Capital Markets Specialist (202-898-3548), in the Division of Supervision.

Michael J. Zamorski
Director

Attachment: [Interagency Questions and Answers on the Capital Treatment of Recourse, Direct Credit Substitutes, and Residual Interests in Asset Securitizations](#)

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (800-276-6003 or (703) 562-2200).