



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-60-2017
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**Regulatory Capital Rules:
Retention of Certain Existing Transition Provisions for Banking Organizations that
Are Not Subject to the Advanced Approaches Capital Rules**

Summary: The Federal bank regulatory agencies (the agencies) jointly have issued a final rule to extend the 2017 transition provisions under the capital rules for certain capital deductions and risk weights as well as certain minority interest requirements for banking organizations not subject to the advanced approaches capital rules.

Statement of Applicability to Institutions with Total Assets Under \$1 Billion: This Financial Institution Letter is applicable to all banking organizations not subject to the advanced approaches capital rule.

Distribution:
FDIC-Supervised Institutions

Suggested Routing:
Chief Executive Officer
Chief Financial Officer
Chief Risk Officer

Related Topics:
Capital Adequacy of FDIC-Supervised Institutions, 12 CFR Part 324 (Regulatory Capital Rules)

Attachment:
[Regulatory Capital Rules: Retention of Certain Existing Transition Provisions for Banking Organizations That Are Not Subject to the Advanced Approaches Capital Rules](#)

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Highlights

The final rule extends the 2017 transition provisions for regulatory capital deductions and risk weights for:

- Mortgage servicing assets;
- Deferred tax assets arising from temporary differences that could not be realized through net operating loss carrybacks;
- Significant investments in the capital of unconsolidated financial institutions in the form of common stock;
- Non-significant investments in the capital of unconsolidated financial institutions; and
- Significant investments in the capital of unconsolidated financial institutions that are not in the form of common stock.

The final rule also extends the 2017 transition provisions for common equity tier 1 minority interest, tier 1 minority interest, and total capital minority interest exceeding the regulatory capital rules' minority interest limitations.