

# Overview of Selected Regulations and Supervisory Guidance

This section provides an overview of recently released regulations and supervisory guidance, arranged in reverse chronological order. Press Release (PR) and Financial Institution Letter (FIL) designations are included so the reader can obtain more information.

ACRONYMS and DEFINITIONS	
CFPB	Consumer Financial Protection Bureau
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
FRB	Federal Reserve Board
NCUA	National Credit Union Administration
OCC	Office of the Comptroller of the Currency
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC

Subject	Summary
<b>FDIC Issues Final Guidance Regarding Deposit Advance Products (PR-105-2013, November 21, 2013)</b>	The FDIC issued final supervisory guidance to FDIC-supervised financial institutions that offer, or may consider offering, deposit advance products. The guidance is intended to ensure banks are aware of the credit, reputational, operational, and compliance risks associated with deposit advance products and have taken steps to effectively mitigate these risks. This issuance supplements the FDIC's existing guidance on payday loans and subprime lending, as well as the FDIC's guidelines on small-dollar loans. See <a href="http://www.fdic.gov/news/news/press/2013/pr13105.html">http://www.fdic.gov/news/news/press/2013/pr13105.html</a> .
<b>FDIC Releases Regulatory Capital Estimation Tool for Community Banks (FIL-54-2013, November 20, 2013; PR-102-2013, November 19, 2013)</b>	The FDIC made available a regulatory capital estimation tool to help community banks evaluate the potential impact of the recently published interim final capital rule on their capital ratios. Banks can access the regulatory estimation tool. The tool provides a general estimate of a bank's leverage and risk-based capital ratios under the interim final capital rule, though it may not precisely reflect actual capital ratios under the framework. The tool is not a substitute for a bank's analysis of the impact of the rule on its financial operations for regulatory reporting and capital-planning purposes. See <a href="http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13054.html">http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13054.html</a> .
<b>Agencies Release Final Revisions to Interagency Questions and Answers Regarding Community Reinvestment (PR-101-2013, November 15, 2013; Federal Register, Vol. 78, No. 224, p. 69671, November 20, 2013)</b>	The federal bank regulatory agencies published final revisions to <i>Interagency Questions and Answers Regarding Community Reinvestment</i> . The Questions and Answers document provides additional guidance to financial institutions and the public on the agencies' CRA regulations. The revisions focus primarily on community development. See <a href="http://www.fdic.gov/news/news/press/2013/pr13101.html">http://www.fdic.gov/news/news/press/2013/pr13101.html</a> .

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Subject	Summary
<p><b>Interagency Supervisory Guidance on Troubled Debt Restructurings (FIL-50-2013, October 24, 2013)</b></p>	<p>The federal bank regulatory agencies and the NCUA jointly issued supervisory guidance clarifying certain issues related to the accounting treatment and regulatory classification of commercial and residential real estate loans that have undergone troubled debt restructurings (TDRs). The agencies' guidance reiterates key aspects of previously issued guidance and discusses the definition of a collateral-dependent loan and the classification and charge-off treatment for impaired loans, including TDRs. See <a href="http://www.fdic.gov/news/news/financial/2013/fil13050.html">http://www.fdic.gov/news/news/financial/2013/fil13050.html</a>.</p>
<p><b>FDIC Signs Memorandum of Understanding With the People's Bank of China (PR-93-2013, October 24, 2013)</b></p>	<p>The FDIC announced the signing of a Memorandum of Understanding (MOU) between the agency and the People's Bank of China designed to extend their effective international working relationship in the areas of deposit insurance and resolution. The agreement updates an existing MOU signed on August 2, 2007. See <a href="http://www.fdic.gov/news/news/press/2013/pr13093.html">http://www.fdic.gov/news/news/press/2013/pr13093.html</a>.</p>
<p><b>Federal Financial Regulators Propose Joint Standards for Assessing Diversity Policies and Practices of Regulated Entities (PR-92-2013, October 23, 2013; Federal Register, Vol. 78, No. 207, p. 64052, October 25, 2013)</b></p>	<p>The federal financial institution regulatory agencies and the U.S. Securities and Exchange Commission (SEC) issued a notice of proposed interagency standards for assessing the diversity policies and practices of the entities they regulate. Each of the agencies houses an Office of Minority and Women Inclusion (OMWI). Under Section 342 of the <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (Dodd-Frank Act), each OMWI is required to develop standards for assessing diversity policies and practices in the regulated entities. The proposed standards are intended to promote transparency and awareness of diversity policies and practices within the institutions. Comments are due by December 24, 2013. See <a href="http://www.fdic.gov/news/news/press/2013/pr13092.html">http://www.fdic.gov/news/news/press/2013/pr13092.html</a>.</p>
<p><b>Federal Regulators Provide Guidance on Qualified Mortgage Fair Lending Risks (PR-91-2013, October 22, 2013)</b></p>	<p>The federal financial institution regulatory agencies issued a statement to address industry questions about fair lending risks associated with offering only Qualified Mortgages. The CFPB's Ability-to-Repay Rule implements provisions of the Dodd-Frank Act that require creditors to make a reasonable, good faith determination that a consumer has the ability to repay a mortgage loan before extending credit to the consumer. Lenders are presumed to have complied with the rule if they issue Qualified Mortgages, which must satisfy requirements that prohibit or limit risky features that harmed consumers in the recent crisis. For the reasons described in the statement, the five agencies do not anticipate that a creditor's decision to offer only Qualified Mortgages would, absent other factors, elevate a supervised institution's fair lending risk. See <a href="http://www.fdic.gov/news/news/press/2013/pr13091.html">http://www.fdic.gov/news/news/press/2013/pr13091.html</a>.</p>
<p><b>Annual Stress-Test Reporting Template and Documentation for Covered Banks with Total Consolidated Assets of \$10 Billion to \$50 Billion (FIL-49-2013, October 21, 2013)</b></p>	<p>The FDIC issued a notice to describe the reports and information required to meet the reporting requirements under Section 165(i)(2) of the Dodd-Frank Act for covered banks with total consolidated assets between \$10 billion and \$50 billion. The data collected through these templates will be used to assess the reasonableness of the covered bank's stress-test results and provide forward-looking information to the FDIC regarding a covered bank's capital adequacy. See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13049.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13049.html</a>.</p>

Subject	Summary
<b>FDIC Releases Economic Scenarios for 2014 Stress Testing (PR-100-2013, November 12, 2013)</b>	<p>The FDIC released the economic scenarios that will be used by certain financial institutions with total consolidated assets of more than \$10 billion for stress tests required under the Dodd-Frank Act. The economic scenarios include baseline, adverse, and severely adverse scenarios with variables that reflect economic activity, unemployment, exchange rates, prices, income, interest rates, and other salient aspects of the economy and financial markets. The FDIC coordinated with the FRB and OCC in developing and distributing these scenarios.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13100.html">http://www.fdic.gov/news/news/press/2013/pr13100.html</a>.</p>
<b>FDIC Issues Proposed Rule to Restrict Sales of Assets of a Covered Financial Company by the FDIC (Federal Register, Vol. 78, No. 215, p. 66661, November 6, 2013)</b>	<p>The FDIC proposed a rule to implement Section 210(r) of the Dodd-Frank Act. Under this section, individuals or entities that have, or may have, contributed to the failure of a “covered financial company” cannot buy a covered financial company’s assets from the FDIC. The proposed rule establishes a self-certification process that is a prerequisite to the purchase of such assets from the FDIC.</p> <p>See <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-11-06/pdf/2013-26544.pdf">http://www.gpo.gov/fdsys/pkg/FR-2013-11-06/pdf/2013-26544.pdf</a>.</p>
<b>FDIC, Bank of England, German Federal Financial Supervisory Authority and Swiss Financial Market Supervisory Authority Call for Uniform Derivatives Contracts Language (PR-99-2013, November 5, 2013)</b>	<p>The FDIC, together with the Bank of England, the German Federal Financial Supervisory Authority, and the Swiss Financial Market Supervisory Authority, authored a joint letter to encourage the International Swaps and Derivatives Association, Inc. to adopt language in derivatives contracts to delay the early termination of those instruments in the event of the resolution of a global systemically important financial institution.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13099.html">http://www.fdic.gov/news/news/press/2013/pr13099.html</a>.</p>
<b>FDIC Hosts Community Affairs Webinar: Lending in Native Communities: From Opportunity to Success (FIL-53-2013, November 1, 2013)</b>	<p>The FDIC hosted a webinar titled <i>Lending in Native Communities: From Opportunity to Success</i> on November 22, 2013. The webinar included examples of successful bank efforts to expand economic inclusion and lending in Native American, Alaska Native, and Hawaiian American communities. This was the fifth in a series of webinars highlighting strategies institutions can use to promote community development and expand access to the banking system.</p> <p>See <a href="http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13053.html">http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13053.html</a>.</p>
<b>Agencies Request Comment on Proposed Liquidity Coverage Ratio (FIL-52-2013, October 30, 2013; PR-96-2013, October 30, 2013)</b>	<p>The federal bank regulatory agencies requested comment on a proposed rule that would implement a quantitative liquidity requirement consistent with the liquidity coverage ratio established by the Basel Committee on Banking Supervision. The requirement is designed to promote the short-term resilience of the liquidity risk profile of international banking organizations and encourage improvements in the measurement and management of liquidity risk. Comments are due by January 31, 2014.</p> <p>See <a href="http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13052.html">http://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13052.html</a>.</p>
<b>Uniform Agreement on the Classification and Appraisal of Securities Held by Financial Institutions (FIL-51-2013, October 29, 2013)</b>	<p>The federal bank regulatory agencies issued a joint statement to update and revise the 2004 Uniform Agreement on the Classification of Assets and Appraisal of Securities Held by Banks and Thrifts. The statement reiterates the importance of a robust investment analysis process and the agencies’ longstanding asset classification definitions. It also addresses Section 939A of the Dodd-Frank Act, which directs the agencies to remove any reference to or requirement of reliance on credit ratings in the regulations and replace them with appropriate standards of creditworthiness.</p> <p>See <a href="http://www.fdic.gov/news/news/financial/2013/fil13051.html">http://www.fdic.gov/news/news/financial/2013/fil13051.html</a>.</p>

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Subject	Summary
<p><b>Joint Notice of Proposed Rulemaking on Loans in Areas Having Special Flood Hazards (FIL-48-2013, October 21, 2013; PR-90-2013, October 11, 2013; Federal Register, Vol. 78, No. 210, p. 65108, October 30, 2013)</b></p>	<p>The federal bank regulatory agencies, the NCUA, and the Farm Credit Administration issued a joint notice of proposed rulemaking to amend their respective regulations regarding loans in special flood hazard areas. The proposed rule would implement certain provisions of the <i>Biggert-Waters Flood Insurance Reform Act of 2012</i> regarding acceptance of private flood insurance, escrowing flood insurance payments, and force-placement of flood insurance. The proposal also would harmonize FDIC flood insurance regulations with the former Office of Thrift Supervision regulations for state savings associations.</p> <p>See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13048.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13048.html</a>.</p>
<p><b>Director and Officer Liability Insurance Policies, Exclusions, and Indemnification for Civil Money Penalties (FIL-47-2013, October 10, 2013)</b></p>	<p>The FDIC issued an advisory statement on director and officer (D&amp;O) liability insurance policies. In recent years, the agency has noted an increase in exclusionary terms or provisions in D&amp;O policies that may limit insurance coverage, thereby increasing the potential personal exposure of board members and bank officers in civil lawsuits. This advisory statement discusses the importance of thoroughly reviewing and understanding the risks associated with such coverage exclusions and includes a reminder that insured depository institutions and holding companies may not purchase insurance policies that would indemnify institution-affiliated parties for civil money penalties.</p> <p>See <a href="http://www.fdic.gov/news/news/financial/2013/fil13047.html">http://www.fdic.gov/news/news/financial/2013/fil13047.html</a>.</p>
<p><b>Managing Sensitivity to Market Risk in a Challenging Interest Rate Environment (FIL-46-2013, October 8, 2013)</b></p>	<p>The FDIC issued a financial institution letter re-emphasizing the importance of prudent interest rate risk oversight and risk management processes to ensure institutions are prepared for a period of rising interest rates. Interest rate risk management should be viewed as an ongoing process that requires effective measurement and monitoring, clear communication of modeling results, conformance with policy limits, and appropriate steps to mitigate risk.</p> <p>See <a href="http://www.fdic.gov/news/news/financial/2013/fil13046.html">http://www.fdic.gov/news/news/financial/2013/fil13046.html</a>.</p>
<p><b>Agencies Release Public Sections of the Second Submission of Resolution Plans for Eleven Institutions (PR-86-2013, October 3, 2013)</b></p>	<p>The FDIC and FRB released the public sections of the second submission of resolution plans for eleven firms. The Dodd-Frank Act requires that bank holding companies with total consolidated assets of \$50 billion or more and nonbank financial companies designated by the Financial Stability Oversight Council submit resolution plans to the FDIC and FRB. Firms that filed initial resolution plans in 2012 (generally those with U.S. nonbank assets greater than \$250 billion) were required to submit revised resolution plans by October 1, 2013. Those firms include Bank of America Corporation, Bank of New York Mellon Corporation, Barclays PLC, Citigroup Inc., Credit Suisse Group AG, Deutsche Bank AG, Goldman Sachs Group, Inc., JPMorgan Chase &amp; Co., Morgan Stanley, State Street Corporation, and UBS AG.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13086.html">http://www.fdic.gov/news/news/press/2013/pr13086.html</a>.</p>
<p><b>FDIC Supervisory Approach to Payment Processing Relationships With Merchant Customers That Engage in Higher-Risk Activities (FIL-43-2013, September 26, 2013)</b></p>	<p>The FDIC clarified its policy and supervisory approach related to facilitating payment processing services directly or indirectly for merchant customers engaged in higher-risk activities. Such financial institutions are expected to perform proper risk assessments, conduct due diligence to determine if merchant customers are operating in accordance with applicable law, and maintain systems to monitor relationships over time. Financial institutions that have appropriate systems and controls will not be criticized for providing payment processing services to businesses operating in compliance with applicable law.</p> <p>See <a href="http://www.fdic.gov/news/news/financial/2013/fil13043.html">http://www.fdic.gov/news/news/financial/2013/fil13043.html</a>.</p>

Subject	Summary
<p><b>Proposed Regulatory Capital Reporting Changes (FIL-42-2013, September 26, 2013; FIL-41-2013, September 24, 2013)</b></p>	<p>The federal bank regulatory agencies requested comment on proposed revisions to the regulatory capital components and ratios portion of Schedule RC-R, Regulatory Capital, of the Consolidated Reports of Condition and Income (Call Report). The agencies also have proposed to revise the FFIEC 101, Risk-Based Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework, which is completed by advanced approaches institutions. The proposed revisions are consistent with the revised regulatory capital rules approved by the banking agencies in July 2013. Comments were due by October 11, 2013. See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13042.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13042.html</a>.</p>
<p><b>Federal Regulators Issue Guidance on Reporting Financial Abuse of Older Adults (PR-84-2013, September 24, 2013)</b></p>	<p>The federal financial institution regulatory agencies, Federal Trade Commission, and the SEC issued guidance to clarify that the privacy provisions of the <i>Gramm-Leach-Bliley Act</i> generally permit financial institutions to report suspected elder financial abuse to appropriate authorities. See <a href="http://www.fdic.gov/news/news/press/2013/pr13084.html">http://www.fdic.gov/news/news/press/2013/pr13084.html</a>.</p>
<p><b>FDIC Advisory Committee to Discuss Initiatives to Expand Access to Banking Services (Federal Register, Vol. 78, No. 185, p. 58537, September 24, 2013)</b></p>	<p>The FDIC Advisory Committee on Economic Inclusion met on October 9, 2013, to discuss the FDIC's economic inclusion priorities. The meeting featured a discussion on expanding access to Safe Accounts (checkless, card-based electronic accounts that allow only automated withdrawals), financial education strategies, steps to support household savings, mobile financial services, and the FDIC's economic inclusion research projects. See <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-09-24/pdf/2013-23140.pdf">http://www.gpo.gov/fdsys/pkg/FR-2013-09-24/pdf/2013-23140.pdf</a>.</p>
<p><b>FDIC Approves Final Rule on the Definition of "Insured Deposit" at Foreign Branches of U.S. Banks (FIL-40-2013, September 19, 2013; PR-81-2013, September 10, 2013; Federal Register, Vol. 78, No. 178, p. 56583, September 13, 2013)</b></p>	<p>The FDIC approved a Final Rule clarifying that deposits in foreign branches of U.S. banks are not eligible for deposit insurance, although they may qualify as deposits for the purpose of national depositor preference. See <a href="http://www.fdic.gov/news/news/financial/2013/fil13040.html">http://www.fdic.gov/news/news/financial/2013/fil13040.html</a>.</p>
<p><b>Agencies Provide Model Template for Submission of Tailored Resolution Plans (PR-78-2013, September 3, 2013)</b></p>	<p>The FRB and FDIC released an optional model template for tailored resolution plans that certain firms will submit in December 2013. The Dodd-Frank Act requires bank holding companies with total consolidated assets of \$50 billion or more and nonbank financial companies designated for enhanced prudential supervision by the Financial Stability Oversight Council to submit resolution plans. See <a href="http://www.fdic.gov/news/news/press/2013/pr13078.html">http://www.fdic.gov/news/news/press/2013/pr13078.html</a>.</p>
<p><b>Agencies Request Comment on Proposed Risk Retention Rule (PR-74-2013, August 28, 2013; Federal Register, Vol. 78, No. 183, p. 57928, September 20, 2013)</b></p>	<p>The federal bank regulatory agencies, Department of Housing and Urban Development, Federal Housing Finance Agency (FHFA), and the SEC issued a joint notice revising a proposed rule requiring sponsors of securitization transactions to retain risk in those transactions. The new proposal revises the proposed rule the agencies issued in 2011 to implement the risk retention requirement in the Dodd-Frank Act. The new proposal includes basing risk retention on fair value measurements without a premium recapture and defining "qualified residential mortgages" to have the same meaning as "qualified mortgages" as defined by the CFPB. Comments were due by October 30, 2013. See <a href="http://www.fdic.gov/news/news/press/2013/pr13074.html">http://www.fdic.gov/news/news/press/2013/pr13074.html</a>.</p>

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Subject	Summary
<p><b>FDIC Hosts Community Affairs Webinar:</b>  <b>How to Effectively Utilize and Implement Financial Education Programs (FIL-38-2013, August 15, 2013)</b></p>	<p>The FDIC hosted a webinar titled <i>How To Effectively Utilize and Implement Financial Education Programs</i> on September 10, 2013. Staff discussed opportunities, best practices, and strategies for implementing consumer financial education programs.            See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13038.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13038.html</a>.</p>
<p><b>Proposed Interagency Guidance on Company-Run Stress Tests (FIL-37-2013, August 9, 2013; PR-67-2013, July 30, 2013; Federal Register, Vol. 78, No. 150, p. 47217, August 5, 2013)</b></p>	<p>The federal bank regulatory agencies issued proposed interagency stress-testing guidance outlining principles for implementation of stress tests as mandated by Section 165(i)(2) of the Dodd-Frank Act. The 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.            See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13037.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13037.html</a>.</p>
<p><b>FDIC Releases Technical Assistance Video on Interest Rate Risk (PR-70-2013, August 6, 2013)</b></p>	<p>The FDIC released the third installment in its series of technical assistance videos to provide useful information to bank directors, officers, and employees on areas of supervisory focus. This video addresses key elements of a bank's interest rate risk framework and includes a discussion of the types of interest rate risk, measurement systems, assumptions used in interest rate risk models, and risk limits and mitigation.            See <a href="http://www.fdic.gov/news/news/press/2013/pr13070.html">http://www.fdic.gov/news/news/press/2013/pr13070.html</a>.</p>
<p><b>Teleconference for Community Banks on the Interim Final Capital Rule (FIL-36-2013, August 1, 2013)</b></p>	<p>The FDIC held a free teleconference on August 15, 2013, to discuss the recently issued interim final capital rule. Officers and employees of FDIC-supervised institutions were invited to participate. Topics addressed issues community bankers have raised about the rule.            See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13036.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13036.html</a>.</p>
<p><b>Agencies Encourage Financial Institutions to Work with Student Loan Borrowers Experiencing Financial Difficulties (FIL-35-2013, August 1, 2013; PR-65-2013, July 25, 2013)</b></p>	<p>The federal bank regulatory agencies issued a statement encouraging financial institutions to work constructively with private student loan borrowers experiencing financial difficulties. The <i>Uniform Retail Credit Classification and Account Management Policy</i>, which covers student loans, permits prudent loan workout and modification programs that assist student loan borrowers who are temporarily experiencing financial difficulties. Financial institutions should provide clear and practical information to student loan borrowers on loan modifications and other options available and how to contact the lender or servicer to discuss the programs that might best fit their specific needs.            See <a href="http://www.fdic.gov/news/news/financial/2013/fil13035.html">http://www.fdic.gov/news/news/financial/2013/fil13035.html</a>.</p>
<p><b>Agencies Issue Proposed Rule to Exempt Subset of Higher-Priced Mortgage Loans from Appraisal Requirements (PR-62-2013, July 10, 2013)</b></p>	<p>The federal financial institution regulatory agencies and the FHFA issued a proposed rule that would create exemptions from certain appraisal requirements for a subset of "higher-priced mortgage loans." These agencies previously had issued a final rule establishing new appraisal requirements for "higher-priced mortgage loans" in January 2013. Comments were due by September 9, 2013.            See <a href="http://www.fdic.gov/news/news/press/2013/pr13062.html">http://www.fdic.gov/news/news/press/2013/pr13062.html</a>.</p>

Subject	Summary
<p><b>Federal Bank Regulatory Agencies Issue Proposed Rule on Supplementary Leverage Ratio (FIL-33-2013, July 9, 2013; PR-61-2013, July 9, 2013; Federal Register, Vol. 78, No. 161, p. 51101, August 20, 2013)</b></p>	<p>The federal bank regulatory agencies issued a joint notice of proposed rulemaking (NPR) to strengthen the leverage requirements applicable to the largest, most systemically important banking organizations and their subsidiary insured depository institutions. Insured banks covered by the NPR would need to satisfy a 6 percent supplementary leverage ratio threshold to be well capitalized for prompt corrective action (PCA). Bank holding companies would need to maintain supplementary leverage ratios of at least 5 percent to avoid restrictions on capital distributions. Comments were due by October 21, 2013. See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13033.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13033.html</a>.</p>
<p><b>FDIC Issues Interim Final Capital Rule (FIL-31-2013, July 9, 2013; FIL-32-2013, July 9, 2013; PR-60-2013, July 9, 2013; Federal Register, Vol. 78, No. 175, p. 55340, September 10, 2013, subsequently corrected in Vol. 78, No. 204, p. 62417, October 22, 2013)</b></p>	<p>The FDIC issued an interim final rule that revises existing capital rules to incorporate certain revisions to the Basel capital framework, including Basel III and other elements. The interim final rule implements a revised definition of regulatory capital, a new common equity tier 1 minimum capital requirement, and a higher minimum tier 1 capital requirement, and incorporates these into the FDIC's PCA framework. The rule also revises the advanced approaches risk-based capital rule, including a minimum 3 percent supplementary leverage ratio, and applies the market risk capital rules to state savings associations. Comments were due by November 12, 2013. See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13031.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13031.html</a>.</p>
<p><b>Agencies Release Public Sections of Resolution Plans (PR-58-2013, July 2, 2013)</b></p>	<p>The FDIC and FRB made available the public portions of resolution plans for four firms with U.S. nonbank assets between \$100 billion and \$250 billion. The Dodd-Frank Act requires that bank holding companies with total consolidated assets of \$50 billion or more submit initial resolution plans on a staggered schedule. The firms whose resolution plans were due on July 1, 2013, were BNP Paribas SA, HSBC Holdings plc, Royal Bank of Scotland Group plc, and Wells Fargo &amp; Company. See <a href="http://www.fdic.gov/news/news/press/2013/pr13058.html">http://www.fdic.gov/news/news/press/2013/pr13058.html</a>.</p>
<p><b>Consolidated Reports of Condition and Income (FIL-30-2013, July 2, 2013; FIL-29-2013, June 28, 2013)</b></p>	<p>The federal bank regulatory agencies reminded financial institutions of a limited number of Call Report changes that took effect June 30, 2013. Revisions include the scope of an existing item for certain capital transactions with stockholders; the data reported for deposit insurance assessment purposes by large institutions and highly complex institutions (generally, institutions with \$10 billion or more in total assets) on certain higher-risk assets, real estate loans and commitments, and U.S. government-guaranteed assets; and a new table of consumer loans by loan type and probability of default. See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13030.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13030.html</a>.</p>
<p><b>Banking Agencies Issue Host State Loan-to-Deposit Ratios (PR-57-2013, July 1, 2013)</b></p>	<p>The federal bank regulatory agencies issued the host state loan-to-deposit ratios the agencies will use to determine compliance with Section 109 of the <i>Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994</i>. These ratios update data released on June 29, 2012. See <a href="http://www.fdic.gov/news/news/press/2013/pr13057.html">http://www.fdic.gov/news/news/press/2013/pr13057.html</a>.</p>

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Subject	Summary
<b>FDIC Releases Second Installment of Technical Assistance Videos (PR-56-2013, July 1, 2013)</b>	<p>The FDIC released the second installment in a series of technical assistance videos to provide useful information to bank directors, officers, and employees on areas of supervisory focus. This video is a virtual version of the FDIC's Directors' College Program and consists of modules on interest rate risk, third-party risk, corporate governance, the Community Reinvestment Act, information technology, and the Bank Secrecy Act.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13056.html">http://www.fdic.gov/news/news/press/2013/pr13056.html</a>.</p>
<b>U.S. Treasury Community Development Financial Institutions Fund: Bank Enterprise Award Program Funding Round and Application Deadline (FIL-28-2013, June 17, 2013)</b>	<p>The U.S. Treasury Community Development Financial Institutions Fund announced it will award \$17 million in financial incentives during fiscal year 2013 through its Bank Enterprise Award Program (BEA Program) to eligible FDIC-insured depository institutions. The BEA Program was created in 1994 to support FDIC-insured financial institutions dedicated to financing and supporting community and economic development activities. The deadline for submitting an application was July 12, 2013.</p> <p>See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13028.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13028.html</a>.</p>
<b>FDIC and CFPB Collaborate to Develop a Tool for Older Adults to Prevent Financial Exploitation (PR-52-2013, June 12, 2013)</b>	<p>The FDIC and CFPB launched a new financial tool, <i>Money Smart for Older Adults</i>, to help older adults and their caregivers prevent elder financial exploitation.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13052.html">http://www.fdic.gov/news/news/press/2013/pr13052.html</a>.</p>
<b>FDIC Announces Memorandum of Understanding With Canada Deposit Insurance Corporation (PR-51-2013, June 12, 2013)</b>	<p>The FDIC announced the signing of a Memorandum of Understanding with the Canada Deposit Insurance Corporation that formalizes and strengthens cross-border cooperation in the event of the failure of a large, complex financial institution operating in both countries.</p> <p>See <a href="http://www.fdic.gov/news/news/press/2013/pr13051.html">http://www.fdic.gov/news/news/press/2013/pr13051.html</a>.</p>
<b>FDIC Adopts Final Rule Defining "Predominantly Engaged in Activities That Are Financial in Nature or Incidental Thereto" (Federal Register, Vol. 78, No. 111, p. 34712, June 10, 2013)</b>	<p>The FDIC adopted a final rule that establishes criteria for determining if a company is predominantly engaged in "activities that are financial in nature or incidental thereto" for purposes of Title II of the Dodd-Frank Act. A company that is predominantly engaged in such activities is a "financial company" and may be subject to Title II's orderly liquidation authority.</p> <p>See <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-06-10/pdf/2013-13595.pdf">http://www.gpo.gov/fdsys/pkg/FR-2013-06-10/pdf/2013-13595.pdf</a>.</p>
<b>Advisory on Mandatory Clearing Requirements for Over-the-Counter Interest Rate and Credit Default Swap Contracts (FIL-25-2013, June 7, 2013)</b>	<p>New mandatory clearing requirements for certain interest rate and credit default swap contracts took effect on June 10, 2013, for all state nonmember institutions. These requirements apply to any covered transaction entered into on or after June 10, 2013, unless the end-user exception or inter-affiliate exemption under the Commodity Futures Trading Commission's rules applies.</p> <p>See <a href="http://www.fdic.gov/news/news/financial/2013/fil13025.html">http://www.fdic.gov/news/news/financial/2013/fil13025.html</a>.</p>
<b>Banker Teleconference on Leveraged Lending Guidance (FIL-23-2013, June 6, 2013)</b>	<p>The federal bank regulatory agencies co-sponsored an "Ask-the-Regulator" teleconference on June 19, 2013, to discuss the recently issued interagency leveraged lending guidance. The discussion outlined supervisory expectations for sound risk management of leveraged lending activities, including examples of how to define a leveraged loan, guidance on evaluating ability to repay, prudent underwriting practices, and enterprise valuation methods.</p> <p>See <a href="https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13023.html">https://www.fdic.gov/news/inactive-financial-institution-letters/2013/fil13023.html</a>.</p>



Subject	Summary
<b>FDIC Hosts Community Affairs Webinar: Finding Community Development Opportunities (FIL-21-2013, May 30, 2013)</b>	<p>The FDIC hosted a webinar titled <i>Finding Community Development Opportunities</i> on June 27, 2013. The webinar discussed potential approaches to identifying community development opportunities, with an emphasis on investment and service activities. See <a href="http://www.fdic.gov/news/news/financial/2013/fil13021.html">http://www.fdic.gov/news/news/financial/2013/fil13021.html</a>.</p>
<b>FDIC Advisory Committee to Discuss 2013 Economic Inclusion Priorities (PR-39-2013, May 13, 2013)</b>	<p>The FDIC Advisory Committee on Economic Inclusion met on May 16, 2013, to discuss the FDIC's economic inclusion priorities. The meeting featured a panel discussion on Safe Accounts and prepaid cards. See <a href="http://www.fdic.gov/news/news/press/2013/pr13039.html">http://www.fdic.gov/news/news/press/2013/pr13039.html</a>.</p>