

Press Releases

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OTS 03-24 - Agencies Announce Publication of Documents Related to Basel Accord Implementation

Office of Thrift Supervision

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For further information

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Joint Release

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

Agencies Announce Publication of Documents Related to Basel Accord Implementation

The four federal bank and thrift regulatory agencies announced today the publication of joint Federal Register notices and requests for comment on two interagency documents related to the proposed implementation of the new Basel Capital Accord in the United States.

Earlier this month, the agencies approved issuance of the two documents for public comment.

The new Accord, which is being developed by the Basel Committee on Banking Supervision, builds on and, for certain banks, would replace the Basel Capital Accord of 1988, which is the framework for capital adequacy standards for large, internationally active banks and the basis for the risk-based capital adequacy standards now in place for all U.S. banks and bank holding companies.

The first document, an Advance Notice of Proposed Rulemaking, sets forth for public comment the agencies' current views on a proposed framework for implementing the revised Capital Accord in the United States. Under the proposal, internationally active banks meeting certain criteria would be subject to the advanced internal ratings-based approach for credit risk and the advanced measurement approaches for operational risk.

The second document contains two sections. The first section sets forth draft supervisory guidance on internal ratings-based systems for corporate credits and the second describes draft supervisory expectations for operational risk management.

Comments on the two documents will be accepted by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision, through November 3, 2003.

Attachment:

ANPR - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2003-24a.pdf>

Draft Supervisory Guidance - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2003-24b.pdf>

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.