



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

**Financial Institution Letter**  
**FIL-37-2014**  
**July 15, 2014**

## **ASSESSMENTS**

### **Notice of Proposed Rulemaking**

**Summary:** On July 15, 2014, the FDIC approved the attached Notice of Proposed Rulemaking (NPR) that would revise the FDIC's risk-based deposit insurance assessment system to reflect changes in the regulatory capital rules that go into effect in 2015 and 2018. For deposit insurance assessment purposes, the NPR would (1) revise the ratios and ratio thresholds relating to capital evaluations, (2) revise the assessment base calculation for custodial banks, and (3) require that all highly complex institutions measure counterparty exposure for assessment purposes using the standardized approach in the regulatory capital rules. The NPR proposes two effective dates for item 1: January 1, 2015, and January 1, 2018. The NPR proposes an effective date of January 1, 2015, for items 2 and 3. Comments on the NPR are due 60 days following publication of the NPR in the *Federal Register*.

**Statement of Applicability to Institutions Under \$1 Billion in Total Assets:** This Financial Institution Letter applies to FDIC-insured institutions as follows: Item 1 applies to all institutions including those institutions under \$1 billion in total assets, item 2 applies to all custodial banks including those institutions under \$1 billion in total assets, and item 3 does not apply to institutions under \$1 billion in total assets.

#### **Distribution:**

All FDIC-Insured Institutions

#### **Suggested Routing:**

Chief Executive Officer  
President  
Chief Financial Officer

#### **Related Topics:**

FDIC Regulations Governing the Assessment Process, 12 CFR Part 327  
Risk-Based Capital Rules, 12 CFR Part 324, Basel III

#### **Attachment:**

[Notice of Proposed Rulemaking](#)

#### **Contact:**

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#### **Note:**

FDIC Financial Institution Letters (FILs) are available on the FDIC's Web site at [www.fdic.gov/news/news/financial/2014/index.html](http://www.fdic.gov/news/news/financial/2014/index.html).

To receive FILs electronically, visit <http://www.fdic.gov/about/subscriptions/fil.html>.

Paper copies may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, E-1002, Arlington, VA 22226 (1-877-275-3342 or 703-562-2200).

#### **Highlights:**

- The proposed changes to the risk-based deposit insurance assessment system reflect changes to the regulatory capital rules recently adopted by the federal banking agencies. See 79 FR 20754 (Apr. 14, 2014), 78 FR 62018 (Oct. 11, 2013), and 79 FR 24528 (May 1, 2014).
- The NPR would conform the capital ratios and ratio thresholds in the assessment system to the new prompt corrective action capital ratios and ratio thresholds, which include a new common equity Tier 1 capital ratio (effective 2015), revised ratio thresholds for the Tier 1 risk-based capital ratio (effective 2015), and a new supplementary leverage ratio (effective 2018) for advanced approaches banks.
- The NPR would conform the assessment base calculation for custodial banks to the new asset risk weights using the standardized approach in the regulatory capital rules (effective 2015).
- The NPR would require that all highly complex institutions measure counterparty exposure for assessment purposes using the standardized approach in the regulatory capital rules (effective 2015).