

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

July 15, 2008

**BANKING SUPERVISION AND REGULATION:
BASEL II ADVANCED APPROACHES
QUALIFICATION PROCESS**

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, and Foreign Bank Offices
in the Twelfth Federal Reserve District

Statement on Basel II Advanced Approaches Qualification Process

The federal banking and thrift agencies issued an interagency statement outlining the qualification process for banking organizations implementing the new advanced capital adequacy framework known as Basel II.

The process consists of three major stages:

1. Adoption of an implementation plan
2. Completion of a satisfactory parallel run
3. Advancement through three transitional periods

The statement updates the interagency statement on qualification issued in January 2005 to reflect the final advanced approaches rule published December 7, 2007.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information, please contact one of the following:

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Attachment: [Statement on Basel II Advanced Approaches Qualification Process](#)