

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

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

Federal Reserve Board Issues Guidance for Evaluating Whether Banking Organizations Are Eligible for Upgrades of Supervisory Ratings

The Federal Reserve Board on February 3, 2012 issued guidance to ensure that supervisors apply consistent standards as they evaluate whether banking organizations with \$10 billion or less in assets are eligible for upgrades of supervisory ratings.

The guidance is being issued to ensure that upgrades occur in a timely manner when the banking organizations have made the requisite progress in addressing any supervisory concerns that had prompted lower ratings. To be eligible for an upgrade, banks are expected to demonstrate, among other things, improvement in financial condition and risk management, as well as show that such improvement is likely to continue.

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:

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Attachment: [SR 12-4 \(31 KB PDF\)](#)