

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

November 21, 2013

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

Agencies Release a Regulatory Capital Estimation Tool for Community Banks

On Tuesday, November 19, 2013, the federal bank regulatory agencies released an estimation tool to help community banks understand the potential effects of the recently revised regulatory capital framework on their capital ratios.

The revised framework implements the Basel III regulatory capital reforms and certain changes required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

In July 2013, the Federal Reserve Board and Office of the Comptroller of the Currency approved the revised framework as final rules, and the Federal Deposit Insurance Corporation approved the revised framework as an interim final rule. The final rules and interim final rule are substantively identical.

The estimation tool is not part of the revised capital framework and not a component of regulatory reporting. Results from the tool are simplified estimates that may not precisely reflect banks' actual capital ratios under the framework. Additionally, banks should be aware that the estimation tool requires certain manual inputs that could have meaningful effects on results and should reference the revised capital framework when using the estimation tool.

The estimation tool is available at: www.fdic.gov/regulations/capital/Bank_Estimation_Tool.xlsm

The revised capital framework are available in the Federal Register at:
www.gpo.gov/fdsys/pkg/FR-2013-10-11/pdf/2013-21653.pdf and www.gpo.gov/fdsys/pkg/FR-2013-09-10/pdf/2013-20536.pdf

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-supervision/publications/district-circular-letters/>.

For additional information, please contact:

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