

**DEPARTMENT OF THE TREASURY**  
**Office of the Comptroller of the Currency**  
**12 CFR Part 43**  
**Docket No. OCC-2011-0002**  
**RIN 1557-AD40**

**FEDERAL RESERVE SYSTEM**  
**12 CFR Part 244**  
**Docket No. 2011-1411**  
**RIN 7100-AD70**

**FEDERAL DEPOSIT INSURANCE CORPORATION**  
**12 CFR Part 373**  
**RIN 3064-AD74**

**U.S. SECURITIES AND EXCHANGE COMMISSION**  
**17 CFR Part 246**  
**Release No. 34-64603; File No. S7-14-11**  
**RIN 3235-AK96**

**FEDERAL HOUSING FINANCE AGENCY**  
**12 CFR Part 1234**  
**RIN 2590-AA43**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**24 CFR Part 267**  
**RIN 2501-AD53**

### **Credit Risk Retention**

**AGENCIES:** Office of the Comptroller of the Currency, Treasury (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); U.S. Securities and Exchange Commission (Commission); Federal Housing Finance Agency (FHFA); and Department of Housing and Urban Development (HUD).

**ACTION:** Proposed rule; extension of comment period.

**SUMMARY:** On April 29, 2011, the OCC, Board, FDIC, Commission, FHFA and HUD (collectively, the “Agencies”) published in the Federal Register a joint notice of proposed rulemaking for public comment to implement the credit risk retention requirements of section 15G of the Securities Exchange Act of 1934 (15 U.S.C. § 78o-11), as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Credit Risk NPR” or “proposed rule”).

Due to the complexity of the rulemaking and to allow parties more time to consider the impact of the Credit Risk NPR on affected markets, the Agencies have determined that an extension of the comment period until August 1, 2011 is appropriate. This action will allow interested persons additional time to analyze the proposed rules and prepare their comments.

**DATES:** Comments on the Credit Risk NPR must be received on or before August 1, 2011.

**ADDRESSES:** You may submit comments by any of the methods identified in the Credit Risk NPR.<sup>1</sup> Please submit your comments using only one method.

**FOR FURTHER INFORMATION CONTACT:**

OCC: Chris Downey, Risk Specialist, Financial Markets Group, (202) 874-4660; Kevin Russell, Director, Retail Credit Risk, (202) 874-5170; Darrin Benhart, Director, Commercial Credit Risk, (202) 874-5670; or Jamey Basham, Assistant Director, or Carl Kaminski, Senior Attorney, Legislative and Regulatory Activities Division, (202) 874-5090, Office of the Comptroller of the Currency, 250 E Street SW, Washington, DC 20219.

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<sup>1</sup> See 76 FR 24090.

Board: Benjamin W. McDonough, Counsel, (202) 452-2036; April C. Snyder, Counsel, (202) 452-3099; Sebastian R. Astrada, Attorney, (202) 452-3594; or Flora H. Ahn, Attorney, (202) 452-2317, Legal Division; Thomas R. Boemio, Manager, (202) 452-2982; Donald N. Gabbai, Senior Supervisory Financial Analyst, (202) 452-3358; or Sviatlana A. Phelan, Financial Analyst, (202) 912-4306, Division of Banking Supervision and Regulation; Andreas Lehnert, Deputy Director, Office of Financial Stability Policy and Research, (202) 452-3325; or Brent Lattin, Counsel, (202) 452-3367, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington , D.C. 20551.

FDIC: Beverlea S. Gardner, Special Assistant to the Chairman, (202) 898-3640; Mark L. Handzlik, Counsel, (202) 898-3990; Phillip E. Sloan, Counsel, (703) 562-6137; Petrina R. Dawson, Counsel, (703) 562-2688; or Jeannette Roach, Counsel, (202) 898-3785, Federal Deposit Insurance Corporation, 550 17th Street, NW, Washington, DC 20429.

Commission: Jay Knight, Special Counsel, or Katherine Hsu, Chief, Office of Structured Finance, Division of Corporation Finance, at (202) 551-3753, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-3628.

FHFA: Patrick J. Lawler, Associate Director and Chief Economist, Patrick.Lawler@fhfa.gov, (202) 414-3746; Austin Kelly, Associate Director for Housing Finance Research, [Austin.Kelly@fhfa.gov](mailto:Austin.Kelly@fhfa.gov), (202) 343-1336; Phillip Millman, Principal Capital Markets Specialist, [Phillip.Millman@fhfa.gov](mailto:Phillip.Millman@fhfa.gov), (202) 343-1507; or Thomas E. Joseph, Senior Attorney Advisor, [Thomas.Joseph@fhfa.gov](mailto:Thomas.Joseph@fhfa.gov), (202) 414-3095; Federal Housing Finance Agency, Third Floor, 1700 G Street, NW, Washington, DC 20552.

The telephone number for the Telecommunications Device for the Hearing Impaired is (800) 877-8339.

HUD: Robert C. Ryan, Deputy Assistant Secretary for Risk Management and Regulatory Affairs, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 9106, Washington, DC 20410; telephone number (202) 402-5216 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Information Relay Service at 800-877-8339.

**SUPPLEMENTARY INFORMATION:**

On April 29, 2011, the Credit Risk NPR was published in the Federal Register.<sup>2</sup> The Credit Risk NPR proposes to implement the credit risk retention requirements of section 15G of the Securities Exchange Act of 1934 (15 U.S.C. § 78o–11), as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”). Section 15G generally requires the securitizer of asset-backed securities (“ABS”) to retain an economic interest of no less than five percent in the credit risk of the assets collateralizing the ABS. Section 15G includes a variety of exemptions from this requirement, including an exemption for asset-backed securities that are collateralized exclusively by “qualified residential mortgages,” as such term is defined by the Agencies by rule.

The Credit Risk NPR would specify credit risk retention requirements for securitizers of ABS. In designing the proposed rules, the Agencies sought to ensure that the amount of credit risk retained would be meaningful—consistent with the purposes of

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<sup>2</sup> See 76 FR 24090.

section 15G—while reducing the potential for the proposed rules to negatively affect the availability and cost of credit to consumers and businesses. In recognition of the complexities of the rulemaking and the variety of considerations involved in its impact and implementation, the Agencies requested that commenters respond to numerous questions. The Credit Risk NPR stated that the public comment period would close on June 10, 2011.<sup>3</sup>

The Agencies have received requests from the public for an extension of the comment period to allow for sufficient time for data gathering and impact analyses related to the provisions of the proposed rule.<sup>4</sup> The Agencies believe that it is important for interested persons to have additional time to fully review the provisions of the proposed rule and the questions posed by the Agencies, and to conduct appropriate data collection and analysis on the potential impact of the Credit Risk NPR prior to submitting comment. Therefore, the Agencies are extending the comment period for the Credit Risk NPR from June 10, 2011 to August 1, 2011.

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<sup>3</sup> See id.

<sup>4</sup> See, e.g., comment letters to the Agencies from American Bankers Association et al. (May 13, 2011) and The Loan Syndications and Trading Association (May 26, 2011); and press release from Realogy Corporation (May 10, 2011).

**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE  
COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK  
RETENTION”]**

Dated: June 3, 2011

John Walsh (signed)  
John Walsh,  
Acting Comptroller of the Currency.

**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK RETENTION”]**

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary under delegated authority, June 6, 2011.

Jennifer J. Johnson (signed)

Jennifer J. Johnson.

Secretary of the Board.

**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE  
COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK  
RETENTION”]**

Dated at Washington, D.C., this 3rd of June 2011.  
By order of the Board of Directors.  
Federal Deposit Insurance Corporation.

Valerie J. Best (signed)  
Valerie J. Best,  
Assistant Executive Secretary



**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE  
COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK  
RETENTION”]**

By the Securities and Exchange Commission.

Elizabeth M. Murphy (signed)  
Elizabeth M. Murphy  
Secretary

Date: June 6, 2011

**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE  
COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK  
RETENTION”]**

Edward J. DeMarco (signed)  
Edward J. DeMarco,  
Acting Director, Federal Housing Finance Agency

June 2, 2011  
Date

**[THIS SIGNATURE PAGE RELATES TO THE EXTENSION OF THE COMMENT PERIOD OF THE PROPOSED RULE TITLED “CREDIT RISK RETENTION”]**

By the Department of Housing and Urban Development

Robert C. Ryan (signed)  
Robert C. Ryan,  
Acting Assistant Secretary for Housing,  
Federal Housing Commissioner

June 6, 2011  
Date