

Press Releases

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OTS 04-46 - Comments Requested on Proposed Retail Credit Risk Guidance

Office of Thrift Supervision

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For further information

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OTS 04-46

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Joint Release

**Office of the Comptroller of the Currency
Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of Thrift Supervision**

Comments Requested on Proposed Retail Credit Risk Guidance

The federal bank and thrift regulatory agencies announced today the publication of a joint Federal Register notice and request for comment on proposed guidance for Internal Ratings-Based Systems for Retail Credit Risk for Regulatory Capital. The proposed guidance provides banking organizations with a description of the agencies' current views regarding the components and characteristics of a qualifying internal ratings-based (IRB) system for measuring credit risk of retail exposures. Retail exposures include various types of consumer credit such as residential mortgages, consumer credit cards, and automobile and personal loans as well as some small business loans.

The proposed retail guidance, like the August 4, 2003, proposed corporate IRB guidance and the Advanced Measurement Approaches for operational risk guidance, includes a number of supervisory standards that ultimately may become part of the qualification criteria for IRB systems in a future interagency notice of proposed rulemaking regarding the Basel II framework in the United States.

Comments on the proposed guidance are requested by January 25, 2005. Specific information on how to file a comment is contained in the Federal Register notice.

Federal Register Notice - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2004-46a.pdf>

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at www.ots.treas.gov.