

# RESCINDED

OCC BULLETIN 2011-32

**Subject:** Permanent Risk-Based Capital Requirements for Advanced Approaches Banks  
**Date:** July 8, 2011

**Transmittal - See OCC 2015-38**  
**Applicable only to advanced approaches banks**

**Officers of All National Banks and Agencies, Chief Executive Officers, and All Supervisors, Examiners, and All Examining Personnel**

## Description: Final Rule

The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (the federal banking agencies) have published a final rule to establish a permanent floor for the advanced approaches risk-based capital rules (applicable to the largest internationally active banking organizations), which is consistent with section 171(b)(2) of the Dodd-Frank Act.

## BACKGROUND

Section 171(b)(2) of the Dodd-Frank Act states that the agencies shall establish minimum risk-based capital requirements applicable to insured depository institutions, depository institution holding companies, and nonbank financial companies supervised by the Federal Reserve (i.e., systemically important financial institutions, or SIFIs). In particular, section 171(b)(2) specifies that the minimum risk-based capital requirements established under section 171 shall not be less than the "generally applicable" risk-based capital requirements for depository institutions, which shall serve as a floor for any capital requirements the federal banking agencies may require.

## SUMMARY

The final rule amends the federal banking agencies' advanced approaches risk-based capital regulations to eliminate the transitional floor provisions and replace them with a permanent floor. Under the final rule, each national bank subject to the advanced approaches risk-based capital rules must calculate its required minimum risk-based capital under both the general risk-based capital rules and the advanced approaches rules. Each quarter, an advanced approaches bank will have to calculate its minimum Tier 1 and total risk-based capital ratios under each set of rules, compare the results, and use the lower of the two Tier 1 risk-based capital ratios and the lower of the two total risk-based capital ratios to determine compliance with its minimum risk-based capital requirements, which are set forth at 12 CFR part 3, appendix C, section 3, for national banks.

The final rule was published in the *Federal Register* on June 28, 2011.

## FURTHER INFORMATION

For further information about this bulletin, contact the Office of the Chief National Bank Examiner (202) 649-6370.

Julie L. Williams  
First Senior Deputy Comptroller and Chief Counsel

## Related Link

- [Final Rule](#) (PDF)