FEDERAL RESERVE SYSTEM

12 CFR Parts 208, 217, and 225
Regulations H, Q, and Y

[Docket No. R–1442]

12 CFR Parts 208, 217, and 225
Regulations H, Q, and Y

[Regulation HH; Docket No. R–1455]

BILLING CODE 6210–01–P

SUMMARY: The Board of Governors of the Federal Reserve System published in the Federal Register of October 11, 2013, a document adopting a final rule that revises its risk-based and leverage capital requirements for banking organizations. This document adds an acceleration clause under the capital components and eligibility criteria for regulatory capital instruments and corrects an incorrect citation.

DATES: Effective Date: January 1, 2014.

FOR FURTHER INFORMATION CONTACT: Benjamin McDonough, Senior Counsel, (202) 452–2036; or David Alexander, Senior Attorney, (202) 452–2877.

SUPPLEMENTARY INFORMATION: The Board published a document in the Federal Register of October 11, 2013, adopting a final rule that revises its risk-based and leverage capital requirements for banking organizations. An allowance for additional circumstances under which an acceleration clause would be permitted under the capital components and eligibility criteria for regulatory capital instruments was inadvertently omitted from that notice.

Federal Register
Vol. 78, No. 245

February 18, 2014.

FOR FURTHER INFORMATION CONTACT: Jeff Stehm, Senior Associate Director (202) 452–2117 or Stuart Sperry, Assistant Director (202) 452–3832, Division of Reserve Bank Operations and Payment Systems; Christopher W. Clubb, Special Counsel (202) 452–3904 or Kara L. Handzik, Counsel (202) 452–3852, Legal Division; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263–4869.

SUPPLEMENTARY INFORMATION: I. Background

A. Dodd-Frank Wall Street Reform and Consumer Protection Act

FMUs, such as payment systems, central securities depositories, and central counterparties, are critical components of the nation’s financial system that provide the essential infrastructure to clear and settle payments and other financial transactions, upon which the financial markets and the broader economy rely to function effectively. FMUs operate multilateral systems in which financial institutions, such as banks, participate pursuant to a common set of rules and procedures, a technical infrastructure, and a risk-management framework.1

Title VIII of the Dodd-Frank Act, titled the “Payment, Clearing, and Settlement Supervision Act of 2010,” was enacted to mitigate systemic risk in the financial system and to promote

---

1 Under section 803 of the Act, an FMU is defined as a person that manages or operates a multilateral system for the purpose of transferring, clearing, or settling payments, securities, or other financial transactions among financial institutions or between financial institutions and the person. 12 U.S.C. 5462(a).