

DATE: October 6, 2005

SUBJECT: Banking agencies announce revised plan for implementation of Basel II framework.

HIGHLIGHTS: The four Federal banking agencies (the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision) today announced their revised plans for the U.S. implementation of the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework," otherwise known as Basel II. The agencies previously announced on April 29, 2005 that they were delaying issuance of a notice of proposed rulemaking (NPR), pending additional analysis of the quantitative impact study (QIS4) submissions. The agencies intend to move forward with an NPR for domestic implementation of Basel II, but plan to introduce additional prudential safeguards in the NPR to address concerns identified in the analysis of the results of the QIS4 conducted with the industry. The agencies expect that the U.S. Basel II proposal will be available in the first quarter of 2006.

DOCUMENT

LOCATION: <http://www.federalreserve.gov/boarddocs/press/bcreg/2005/20050930/default.htm>

FURTHER

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