

DATE: October 20, 2008

SUBJECT: Agencies announce decision on regulatory capital impact of Emergency Economic Stabilization Act of 2008 on Fannie Mae and Freddie Mac preferred stock.

HIGHLIGHTS: The federal banking and thrift regulatory agencies announced today that they will allow banks, bank holding companies, and thrifts (collectively, "banking organizations") to recognize the effect of the tax change enacted in Section 301 of the Emergency Economic Stabilization Act of 2008 (EESA) in their third quarter 2008 regulatory capital calculations.

DOCUMENT LOCATION: <http://www.federalreserve.gov/newsevents/press/bcreg/20081017a.htm>

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