

DATE: July 22, 2004

SUBJECT: Final rule on capital requirements for asset-backed commercial paper. (Regulations H & Y)

HIGHLIGHTS: The federal banking and thrift regulatory agencies today issued a final rule amending their risk-based capital standards. The rule permits sponsoring banks, bank holding companies, and thrifts (banking organizations) to continue to exclude from their risk-weighted asset base for purposes of calculating the risk-based capital ratios asset-backed commercial paper (ABCP) program assets that are consolidated onto sponsoring banking organizations' balance sheets as a result of Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities, as revised (FIN 46-R). This provision of the final rule will make permanent an existing interim final rule.

DOCUMENT

LOCATION: <http://www.federalreserve.gov/boarddocs/press/bcreg/2004/20040720/default.htm>

**FURTHER
INFORMATION:**

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