

**DATE:** February 15, 2006

**SUBJECT:** Approval of Final Rule on Risk-Based Capital Treatment of Cash-Collateralized Securities Borrowing Transactions. (Regs. H and Y)

**HIGHLIGHTS:** The Federal Reserve Board on Monday announced the approval of a final rule for state member banks and bank holding companies that revises the risk-based capital treatment for cash collateral posted in connection with securities borrowing transactions. This final rule makes permanent, and expands the scope of, an interim final rule issued in 2000, that reduced risk-based capital requirements for certain cash-collateralized securities borrowing transactions.

**DOCUMENT  
LOCATION:** <http://www.federalreserve.gov/boarddocs/press/bcreg/2006/20060206/default.htm>

**FURTHER  
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