

DATE: December 10, 2004

SUBJECT: Bank Holding Company Rating System

HIGHLIGHTS: To more closely align the supervisory rating system for bank holding companies (BHCs), including financial holding companies, with the Federal Reserve's current supervisory practices, on December 1, 2004, the Board of Governors approved for System-wide implementation the attached revised BHC rating system. The revised rating system becomes effective January 1, 2005 and is to be used for all inspections commencing after that date. For inspections opened in 2004 and closed in 2005, Reserve Banks may assign either the BOPEC rating or the revised rating.

DOCUMENT

LOCATION: <http://www.federalreserve.gov/boarddocs/SRLETTERS/2004/sr0418.htm>

**FURTHER
INFORMATION:**

Timothy A. Bosch, Vice President
Banking Supervision and Regulation Department
(314) 444-8440, or 1-800-333-0810, ext. 448440.