

FEDERAL RESERVE BANK OF ST. LOUIS

P.O. Box 442 St. Louis, MO 63166-0442 www.stlouisfed.org

DATE: February 1, 2011

SUBJECT: Impact of high-cost credit protection transactions on the

assessment of capital adequacy.

HIGHLIGHTS: This letter provides direction to supervisory and banking

organization staff on the potential impact of high-cost credit protection transactions on their assessment of a banking

organization's overall capital adequacy.

DOCUMENT http://www.federalreserve.gov/boarddocs/srletters/2011/sr1101.h

LOCATION: <u>tm</u>

FURTHER

INFORMATION: Timothy Bosch, Vice President

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