

Overview of Selected Regulations and Supervisory Guidance

This section provides an overview of recently released regulations and supervisory guidance, arranged in reverse chronological order. Press Release (PR) and Financial Institution Letter (FIL) designations are included so the reader can obtain more information.

ACRONYMS and DEFINITIONS

CFPB	Consumer Financial Protection Bureau
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
FRB	Federal Reserve Board
NCUA	National Credit Union Administration
OCC	Office of the Comptroller of the Currency
Federal bank regulatory agencies	FDIC, FRB, and OCC
Federal financial institution regulatory agencies	CFPB, FDIC, FRB, NCUA, and OCC

Subject	Summary
FDIC Announces Community Affairs Webinar (FIL-27-2014, May 12, 2014)	The FDIC hosted a webinar on May 30, 2014, titled <i>Innovation at Work: Financial Empowerment Programs</i> . Leading practitioners in the growing financial capability movement discussed programs underway in communities across the country. The webinar was part of an ongoing series highlighting strategies institutions can use to promote community development and expand access to the banking system. See http://fdic.gov/news/news/financial/2014/fil14027.html .
FDIC Releases Resource Guide on Opportunities to Collaborate with Community Development Financial Institutions (FIL-26-2014, May 8, 2014)	The FDIC announced the production of a resource guide, <i>Strategies for Community Banks to Develop Partnerships with Community Development Financial Institutions</i> , to inform FDIC-supervised institutions of strategies to meet community credit and development needs and receive consideration under the Community Reinvestment Act (CRA). The guide contains information to help community banks identify and evaluate opportunities to collaborate with community development financial institutions (CDFIs) that provide financial products and services to underserved markets. It also discusses steps to consider when assessing bank/CDFI partnerships and how these activities may enhance CRA performance. See http://fdic.gov/news/news/financial/2014/fil14026.html .

Regulatory and Supervisory Roundup

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Subject	Summary
<p>Federal Banking Agencies Issue Notice of Proposed Rulemaking Revising the Definition of Eligible Guarantee (<i>Federal Register</i>, Vol. 79, No. 84, p. 24618, May 1, 2014)</p>	<p>The federal bank regulatory agencies issued a joint notice of proposed rulemaking (NPR) that would revise the definition of eligible guarantee as incorporated into the agencies' advanced approaches risk-based capital rule (Subpart E of the 2013 capital rule). The agencies had inadvertently limited the recognition of guarantees of wholesale exposures under the rule. To address this matter, the proposed rule would remove the requirement that an eligible guarantee be made by an eligible guarantor for purposes of calculating the risk-weighted assets of an exposure (other than a securitization exposure) under the advanced approaches. Comments on the proposed rule were due by June 13, 2014. See http://www.gpo.gov/fdsys/pkg/FR-2014-05-01/pdf/2014-09452.pdf.</p>
<p>Federal Banking Agencies Issue Joint Notice of Proposed Rulemaking on Supplementary Leverage Ratio (FIL-20-2014, April 25, 2014; <i>Federal Register</i>, Vol. 79, No. 84, p. 24596, May 1, 2014)</p>	<p>The federal bank regulatory agencies issued a joint NPR that would revise the denominator of the supplementary leverage ratio (total leverage exposure) under the revised regulatory capital rule adopted by the agencies in July 2013. The proposed rule would revise the treatment of on- and off-balance sheet exposures for purposes of determining total leverage exposure, and more closely align the agencies' rules on the calculation of total leverage exposure with international leverage ratio standards. The NPR would apply only to banking organizations subject to the agencies' advanced approaches risk-based capital rules (in general, a core bank with consolidated total assets of \$250 billion or more, consolidated on-balance sheet foreign exposure of \$10 billion or more, or a subsidiary of a core bank). Comments on the proposed rule were due by June 13, 2014. See http://fdic.gov/news/news/financial/2014/fil14020.html.</p>
<p>Federal Banking Agencies Issue Joint Final Capital Rule (FIL-19-2014, April 25, 2014; PR-25-2014, April 8, 2014; <i>Federal Register</i>, Vol. 79, No. 84, p. 24528, May 1, 2014)</p>	<p>The federal bank regulatory agencies issued a joint final rule that strengthens the leverage requirements applicable to the largest, most systemically important banking organizations and their subsidiary insured depository institutions. The final rule applies to U.S. top-tier bank holding companies with more than \$700 billion in consolidated total assets or more than \$10 trillion in assets under custody and their insured depository institution subsidiaries. The rule is substantively the same as the rule proposed by the banking agencies in July 2013. It is effective January 1, 2018, with reporting of the supplementary leverage ratio scheduled to begin in 2015. See http://fdic.gov/news/news/financial/2014/fil14019.html.</p>
<p>FDIC Adopts Final Capital Rule Implementing Basel III (FIL-18-2014, April 25, 2014; <i>Federal Register</i>, Vol. 79, No. 71, p. 20754, April 14, 2014)</p>	<p>The FDIC adopted as final the Basel III interim final rule that revises the risk-based and leverage capital requirements for FDIC-supervised institutions, with no substantive changes. The final rule, which was effective January 1, 2014, contains regulatory text identical to the common rule adopted by the FRB and OCC. Compliance was mandatory beginning January 1, 2014, for FDIC-supervised institutions subject to the advanced internal ratings-based approaches and will begin January 1, 2015, for all other FDIC-supervised institutions. See http://fdic.gov/news/news/financial/2014/fil14018.html.</p>
<p>FDIC Advisory Committee on Economic Inclusion Discusses Expanding Banking Access to Consumers (PR-29-2014, April 22, 2014)</p>	<p>The FDIC Advisory Committee on Economic Inclusion (ComE-IN) met on April 24, 2014, to discuss Safe Accounts, mobile financial services, financial education opportunities, and consumer demand for small-dollar loans. See http://fdic.gov/news/news/press/2014/pr14029.html.</p>

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FDIC Issues Notice of Proposed Rulemaking for Regulations on Securities of State Savings Associations (<i>Federal Register</i> , Vol. 79, No. 76, p. 22063, April 21, 2014)	<p>The FDIC issued a NPR that would rescind and remove its regulations concerning securities of State savings associations (12 CFR Part 390 Subpart U) and amend its regulations relating to securities of nonmember insured banks (12 CFR Part 335), extending their applicability to State savings associations. Comments are due by June 20, 2014.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2014-04-21/pdf/2014-08261.pdf.</p>
FDIC Announces Free Nationwide Seminars for Bank Officers and Employees (FIL-17-2014, April 18, 2014)	<p>The FDIC will conduct 12 free seminars on deposit insurance coverage for bank officers and employees between May 6 and December 4, 2014. The seminars will consist of four sessions on “Fundamentals of Deposit Insurance Coverage,” four sessions on “Deposit Insurance Coverage for Revocable Trust Accounts,” and four on “Advanced Topics in Deposit Insurance Coverage.”</p> <p>See http://fdic.gov/news/news/financial/2014/fil14017.html.</p>
FDIC Adopts Final Rule Restricting Sales of Assets of Covered Financial Institutions (<i>Federal Register</i> , Vol. 79, No. 71, p. 20762, April 14, 2014)	<p>The FDIC adopted a final rule to implement Section 210(r) of the <i>Dodd-Frank Wall Street Reform and Consumer Protection Act</i> (Dodd-Frank Act). Under that section, individuals or entities that have, or may have, contributed to the failure of a “covered financial company” cannot buy a covered financial company’s assets from the FDIC. The final rule establishes a self-certification process that is a prerequisite to the purchase of assets of a covered financial company from the FDIC. The final rule is effective July 1, 2014.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2014-04-14/pdf/2014-08258.pdf.</p>
FDIC Issues Technology Alert: OpenSSL “Heartbleed” Vulnerability (FIL-16-2014, April 11, 2014)	<p>The FDIC issued an alert advising financial institutions of a security vulnerability in OpenSSL, a popular cryptographic library used by financial institutions in common network services such as Web servers, e-mail servers, virtual private networks, and instant messaging. A significant vulnerability has been found in OpenSSL that could allow an attacker to decrypt, spoof, or perform attacks on network communications that would otherwise be protected by encryption. The FDIC expects financial institutions to upgrade vulnerable systems as soon as possible and monitor the status of risk mitigation efforts by their third-party service providers and vendors.</p> <p>See http://fdic.gov/news/news/financial/2014/fil14016.html.</p>
FDIC Urges Financial Institutions to Utilize Available Cyber Resources (PR-28-2014, April 10, 2014)	<p>The FDIC urged financial institutions to actively use available resources to identify and help mitigate potential cyber-related risks. Financial institutions of all sizes should be aware of constantly emerging cyber threats and the government-sponsored resources available to help identify these threats on a real-time basis.</p> <p>See http://fdic.gov/news/news/press/2014/pr14028.html.</p>
FDIC Releases Research Study on Long-Term Consolidation in Banking (PR-26-2014, April 9, 2014)	<p>The FDIC released a research study on long-term consolidation in banking and its implications for community banks. Drawing from data during the past 30 years, the paper finds that community banks have remained highly resilient amid the long-term trend of banking industry consolidation. Institutions with assets between \$100 million and \$10 billion – most of which can be considered community banks – have increased in number and total assets since 1985. The study was published in the First Quarter 2014 edition of the <i>FDIC Quarterly</i>.</p> <p>See http://fdic.gov/news/news/press/2014/pr14026.html.</p>

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FDIC Announces Meeting of Advisory Committee on Community Banking (PR-24-2014, April 8, 2014)	<p>The FDIC announced a meeting of the Advisory Committee on Community Banking on April 9. Topics were to include an update from staff on the FDIC's community bank initiatives and discussions about cyber security, the FDIC's ombudsman program and supervisory appeals process, customer due diligence requirements, and qualified and nonqualified mortgages. See http://fdic.gov/news/news/press/2014/pr14024.html.</p>
Federal Bank Regulatory Agencies Issue Guidance on Consolidated Reports of Condition and Income (FIL-14-2014, April 7, 2014; FIL-15-2014, April 9, 2014)	<p>The federal bank regulatory agencies reminded financial institutions to report specific new line items in accordance with revised instructions that took effect for the First Quarter 2014 Call Report. In addition, revisions to Call Report Schedule RC-R, Regulatory Capital, to reflect the revised regulatory capital rules approved by the banking agencies in July 2013, take effect in March 2014 for advanced approaches institutions and in March 2015 for all other institutions. See http://fdic.gov/news/news/financial/2014/fil14014.html.</p>
FDIC Re-issues Technology Outsourcing: Informational Tools for Community Bankers (FIL-13-2014, April 7, 2014)	<p>The FDIC re-issued three Technology Outsourcing documents as informational resources to community banks on how to select service providers, draft contract terms in service level agreements, and oversee multiple service providers when outsourcing for technology products and services. The documents, first issued on June 4, 2001, contain practical ideas for banks to consider when they engage in technology outsourcing. See http://fdic.gov/news/news/financial/2014/fil14013.html.</p>
FDIC Issues Statement on Distributed Denial of Service (DDoS) Attacks (FIL-11-2014, April 2, 2014)	<p>The FDIC issued a statement notifying institutions of the risks associated with continued distributed denial of service (DDoS) attacks on public-facing Web sites. Financial institutions that experience DDoS attacks may face a variety of risks, including operational and reputation risks. Banks are expected to address DDoS readiness as part of their ongoing business continuity and disaster recovery plans and take certain specific steps, as appropriate, to detect and mitigate such attacks. See http://fdic.gov/news/news/financial/2014/fil14011.html.</p>
FDIC Issues Statement on Cyber-attacks on ATM and Card Authorization Systems (FIL-10-2014, April 2, 2014)	<p>The FDIC issued a statement describing the risks related to recent cyber-attacks on automated teller machines (ATMs) and card authorization systems resulting in large-dollar frauds. These attacks, known as Unlimited Operations, are a category of ATM cash-out fraud in which criminals are able to extract funds beyond the cash balance in customer accounts or beyond other control limits typically applied to ATM withdrawals. The FDIC expects financial institutions to take steps to address this threat by reviewing the adequacy of their controls over their information technology (IT) networks, card issuer authorization systems, ATM parameters, and fraud detection and response processes. See http://fdic.gov/news/news/financial/2014/fil14010.html.</p>

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<p>Agencies Issue Proposed Rule on Minimum Requirements for Appraisal Management Companies (PR-21-2014, March 24, 2014; <i>Federal Register</i>, Vol. 79, No. 68, p. 19521, April 9, 2014)</p>	<p>The federal financial institution regulatory agencies and the Federal Housing Finance Agency jointly issued a proposed rule that would implement minimum requirements for state registration and supervision of appraisal management companies (AMCs). An AMC is an entity that serves as an intermediary between appraisers and lenders and provides appraisal management services. In accordance with Section 1124 of Title XI of the <i>Financial Institution Reform, Recovery, and Enforcement Act of 1989</i>, as added by Section 1473 of the Dodd-Frank Act, the minimum requirements in the proposed rule would apply to states that elect to establish an appraiser certifying and licensing agency with the authority to register and supervise AMCs. In states that do not establish such a regulatory structure, AMCs would be barred from providing appraisal management services for federally related transactions. Comments were due by June 9, 2014. See http://fdic.gov/news/news/press/2014/pr14021.html.</p>
<p>Bank Regulatory Agencies and CDFI Fund Sponsor National Interagency Community Reinvestment Conference (PR-20-2014, March 7, 2014)</p>	<p>The FDIC, OCC, the Federal Reserve Banks of Chicago and San Francisco, and the Department of the Treasury's CDFI Fund hosted the 2014 National Interagency Community Reinvestment Conference in Chicago from March 31 to April 2, 2014. The biennial conference offered participants the opportunity to learn about the CRA and its regulations and discuss best practices and emerging challenges in community development. See http://fdic.gov/news/news/press/2014/pr14020.html.</p>
<p>Agencies Issue Final Dodd-Frank Act Stress Test Guidance for Medium-Sized Firms (PR-19-2014, March 5, 2014; <i>Federal Register</i>, Vol. 79, No. 49, p. 14153, March 13, 2014)</p>	<p>The federal bank regulatory agencies issued final guidance describing supervisory expectations for stress tests conducted by financial companies with total consolidated assets between \$10 billion and \$50 billion. These medium-sized companies are required to conduct annual, company-run stress tests under rules issued by the agencies in October 2012 to implement a provision in the Dodd-Frank Act. The final guidance describes general supervisory expectations for these companies' stress tests and provides examples of practices that would be consistent with those expectations. The first Dodd-Frank stress tests were required by March 31, 2014. See http://fdic.gov/news/news/press/2014/pr14019.html.</p>
<p>FDIC Releases Interagency Consumer Compliance Examination Procedures for Mortgage Rules Issued Pursuant to the Dodd-Frank Act (FIL-9-2014, February 25, 2014)</p>	<p>The FDIC released revised interagency consumer compliance examination procedures for the mortgage rules issued pursuant to the Dodd-Frank Act. The release of the interagency procedures is part of the FDIC's ongoing efforts to inform supervised institutions about important bank regulatory developments, promote transparency in the FDIC's supervisory program, and help financial institutions better understand the areas the FDIC will focus on as part of the examination process. During initial examinations for compliance with the new mortgage loan regulations, FDIC examiners will expect institutions to be familiar with the requirements of the rules and have a plan for implementing them. See http://fdic.gov/news/news/financial/2014/fil14009.html.</p>

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<p>FDIC Extends Public Comment Period for Single Point of Entry Resolution Strategy (PR-10-2014, February 18, 2014; <i>Federal Register</i>, Vol. 79, No. 35, p. 9899, February 21, 2014)</p>	<p>The FDIC extended the comment period for the Single Point of Entry (SPOE) Strategy for the resolution of Systemically Important Financial Institutions (SIFIs). Title II of the Dodd-Frank Act requires the FDIC to resolve SIFIs in a manner that holds accountable the owners and management responsible for the failure of the companies while maintaining the stability of the U.S. financial system. The SPOE Strategy was approved for publication in the <i>Federal Register</i> by the FDIC Board of Directors on December 10, 2013, and, as announced in PR-112-2013, comments were originally due by February 18, 2014. The extension of the comment period allowed interested persons additional time to analyze the Strategy and prepare their comments, which were due by March 20, 2014. See http://fdic.gov/news/news/press/2014/pr14010.html.</p>
<p>SEC Amends Paying Agent Notification Requirements (FIL-8-2014, February 7, 2014)</p>	<p>Effective January 23, 2014, “paying agents” were required to send a one-time notification to “unresponsive payees” stating the agent has sent a securityholder a check that has not yet been negotiated. The amendment was pursuant to a January 23, 2013 amendment by the U.S. Securities and Exchange Commission (SEC) of Exchange Act Rule 17Ad-17 to implement the requirements of Section 929W of the Dodd-Frank Act. The first potential notice to unresponsive payees is due no later than August 23, 2014. See http://fdic.gov/news/news/financial/2014/fil14008.html.</p>
<p>FDIC Approves Final Rule Establishing Uniform Recordkeeping and Confirmation Requirements for Securities Transactions (FIL-7-2014, February 4, 2014)</p>	<p>The FDIC approved a final rule on December 10, 2013, amending 12 C.F.R. Part 344 to establish uniform recordkeeping and confirmation requirements for all FDIC-supervised institutions. The final rule also lessened industry burden by increasing the transaction threshold for certain recordkeeping requirements under Part 344’s Small Transaction Exception. See http://fdic.gov/news/news/financial/2014/fil14007.html.</p>
<p>Agencies Adopt Final Rule Establishing Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds (<i>Federal Register</i>, Vol. 79, No. 21, p. 5536, January 31, 2014)</p>	<p>The federal bank regulatory agencies and the SEC adopted a final rule that would implement the new Section 13 of the Bank Holding Company Act, added by Section 619 of the Dodd-Frank Act (the Volcker Rule). Section 13 contains certain prohibitions and restrictions on the ability of a banking entity and nonbank financial company supervised by the FRB to engage in proprietary trading and have certain interests in, or relationships with, a hedge fund or private equity fund. The final rule took effect April 1, 2014. See http://www.gpo.gov/fdsys/pkg/FR-2014-01-31/pdf/2013-31511.pdf.</p>
<p>SEC Issues Final Rule for Registration of Municipal Advisors (FIL-6-2014, January 31, 2014; <i>Federal Register</i>, Vol. 78, No. 218, p. 67468, November 12, 2013)</p>	<p>The SEC issued a final rule on September 20, 2013, establishing a permanent registration system for municipal advisors. Section 975 of the Dodd-Frank Act amended Section 15B(a) of the Securities Exchange Act of 1934 to make it unlawful for “municipal advisors,” as defined in the Dodd-Frank Act, to provide certain advice to or solicit municipal entities or certain other persons without registering with the SEC. Banks are generally excluded from the definition of “municipal advisor,” except for those that engage in municipal advisory activities or provide advice with respect to municipal derivatives. The final rule will take effect on July 1, 2014. See http://fdic.gov/news/news/financial/2014/fil14006.html.</p>

Subject	Summary
FFIEC Approves Revisions to Consolidated Reports of Condition and Income (FIL-3-2014, January 22, 2014)	<p>The FFIEC approved revisions to the Consolidated Reports of Condition and Income (Call Report) that will take effect March 31, 2014, and March 31, 2015. The revisions include certain reporting changes proposed by the FFIEC's member agencies in February 2013 (see FIL-8-2013, March 8, 2013). The FFIEC and the agencies also finalized changes to the regulatory capital components and ratios portion of Call Report Schedule RC-R, Regulatory Capital, and revisions to the FFIEC 101, Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework, which were proposed in August 2013 (see FIL-41-2013, September 24, 2013).</p> <p>See https://www.fdic.gov/news/inactive-financial-institution-letters/2014/fil14003.html.</p>
Agencies Adopt Interim Final Rule Authorizing Retention of Interests in and Sponsorship of CDOs Backed Primarily by Bank-Issued Trust Preferred Securities (PR-3-2014, January 14, 2014; <i>Federal Register</i>, Vol. 79, No. 21, p. 5223, January 31, 2014)	<p>The federal bank regulatory agencies, together with the SEC and the Commodity Futures Trading Commission (CFTC), adopted common interim final rules to permit banking entities to retain investments in certain collateralized debt obligations backed primarily by trust preferred securities (TruPS CDOs), grandfathering them from the investment prohibitions of the Volcker Rule. Under the interim final rule, the agencies will permit the retention of an interest in or sponsorship of covered funds by banking entities if certain qualifications are met. Comments on the interim final rule were due by March 3, 2014, and the rule took effect on April 1, 2014.</p> <p>See http://fdic.gov/news/news/press/2014/pr14003.html.</p>
Agencies Release Public Sections of Resolution Plans (PR-2-2014, January 10, 2014)	<p>The FRB and the FDIC made available the public portions of resolution plans for 116 institutions that submitted plans for the first time in December 2013. The Dodd-Frank Act requires bank holding companies (and foreign companies treated as bank holding companies) with total consolidated assets of \$50 billion or more and nonbank financial companies designated for enhanced prudential supervision by the Financial Stability Oversight Council to periodically submit plans for rapid and orderly resolution to the FRB and the FDIC, and include both a public and confidential section.</p> <p>See http://fdic.gov/news/news/press/2014/pr14002.html.</p>
FDIC Releases Four Technical Assistance Videos (PR-127-2013, December 31, 2013)	<p>The FDIC announced the release of four technical assistance videos in an ongoing series designed to provide useful information to bank directors, officers, and employees on regulatory issues and proposed regulatory changes. The new videos deal with municipal securities, the allowance for loan and lease losses, troubled debt restructuring, and fair lending.</p> <p>See http://fdic.gov/news/news/press/2013/pr13127.html.</p>
Agencies Reviewing Treatment of Collateralized Debt Obligations Backed by Trust Preferred Securities under Final Rules Implementing the Volcker Rule (FIL-62-2013, December 30, 2013; PR-126-2013, December 27, 2013)	<p>The federal bank regulatory agencies and the SEC issued a statement regarding the treatment of Collateralized Debt Obligations containing Trust Preferred Securities. The agencies were considering whether it would be appropriate and consistent with the Dodd-Frank Act not to subject TruPS CDOs to the investment prohibitions of the Volcker Rule.</p> <p>See http://fdic.gov/news/news/financial/2013/fil13062.html.</p>

Subject	Summary
<p>Agencies Release Annual Community Reinvestment Act Asset-Size Threshold Adjustments for Small and Intermediate Small Institutions (<i>Federal Register</i>, Vol. 78, No. 250, p. 79283, December 30, 2013)</p>	<p>The federal bank regulatory agencies announced the annual adjustment to the asset-size thresholds used to define “small bank,” “small savings association,” “intermediate small bank,” and “intermediate small savings association” under the CRA regulations. “Small bank” or “small savings association” refers to an institution that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.202 billion; and “intermediate small bank” or “intermediate small savings association” refers to an institution with assets of at least \$300 million as of December 31 for both of the prior two calendar years and less than \$1.202 billion as of December 31 of either of the prior two calendar years. The asset-size threshold adjustments, which are based on the annual percentage change in the Consumer Price Index, took effect January 1, 2014.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2013-12-30/pdf/2013-30960.pdf.</p>
<p>Agencies Issue Proposed Addendum to Interagency Policy Statement on Intercompany Income Tax Allocation Agreements (FIL-61-2013, December 20, 2013; PR-119-2013, December 19, 2013; <i>Federal Register</i>, Vol. 78, No. 244, p. 76889, December 19, 2013)</p>	<p>The federal bank regulatory agencies requested comment on a proposed addendum that would supplement and clarify the 1998 <i>Interagency Policy Statement on Income Tax Allocation in a Holding Company Structure</i>. The proposed addendum was intended to reduce confusion regarding ownership of any tax refunds between holding companies and insured depository institutions. The guidance also clarified how Sections 23A and 23B of the Federal Reserve Act, which establish certain restrictions on and requirements for transactions between depository institutions and their affiliates, apply to tax allocation agreements. Comments were due by January 21, 2014.</p> <p>See http://fdic.gov/news/news/financial/2013/fil13061.html.</p>
<p>FDIC Proposes Removal of Transferred OTS Regulation Regarding Disclosure and Reporting of CRA-Related Agreements (<i>Federal Register</i>, Vol. 78, No. 244, p. 76768, December 19, 2013)</p>	<p>The FDIC proposed to rescind and remove a regulation entitled “Disclosure and Reporting of CRA-Related Agreements,” which was included in the regulations transferred to the FDIC from the Office of Thrift Supervision in connection with the implementation of applicable provisions of Title III of the Dodd-Frank Act. The requirements for State savings associations in the rescinded regulation were substantively similar to those in an existing regulation with the same title, applicable to all insured depository institutions for which the FDIC has been designated the appropriate federal banking agency. Comments were due by February 18, 2014.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2013-12-19/pdf/2013-29787.pdf.</p>
<p>Qualified and Non-Qualified Mortgage Loans: Agencies Issue Interagency Statement on Supervisory Approach (FIL-59-2013, December 13, 2013; PR-117-2013, December 13, 2013)</p>	<p>The federal financial institution regulatory agencies issued an interagency statement to clarify safety-and-soundness expectations and CRA considerations related to Qualified Mortgage (QM) loans and non-QM loans offered by regulated institutions. The statement is intended to guide institutions as they assess the implementation of the CFPB’s Ability-to-Repay and Qualified Mortgage Standards Rule, which took effect January 10, 2014.</p> <p>See http://fdic.gov/news/news/financial/2013/fil13059.html.</p>
<p>Agencies Issue Final Rule to Exempt Subset of Higher-Priced Mortgage Loans from Appraisal Requirements (PR-116-2013, December 12, 2013; <i>Federal Register</i>, Vol. 78, No. 248, p. 78520, December 26, 2013)</p>	<p>The federal financial institution regulatory agencies, together with the Federal Housing Finance Agency, issued a final rule that creates exemptions from certain appraisal requirements for a subset of higher-priced mortgage loans. The final rule provides that loans of \$25,000 or less and certain “streamlined” refinancings are exempt from the Dodd-Frank Act appraisal requirements, which went into effect on January 18, 2014. The exemptions are intended to save borrowers time and money while ensuring the loans are financially sound.</p> <p>See http://fdic.gov/news/news/press/2013/pr13116.html.</p>

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Agencies Issue Final Rules on Proprietary Trading and Relationships with Hedge Funds and Private Equity Funds (FIL-58-2013, December 12, 2013; PR-114-2013, December 10, 2013)	<p>The federal bank regulatory agencies, along with the SEC and the CFTC, issued final rules developed jointly to implement Section 619 of the Dodd-Frank Act (the Volcker Rule). The final rules generally prohibit banking entities from engaging in short-term proprietary trading, for their own account, of certain securities, derivatives, commodity futures, and options on these instruments. The final rules also impose limits on banking entities' investments in, and other relationships with, hedge funds or private equity funds.</p> <p>See http://fdic.gov/news/news/financial/2013/fil13058.html.</p>
FFIEC Issues Consumer Compliance Guidance for Social Media Activities (FIL-56-2013, December 11, 2013)	<p>The FFIEC released final guidance on the applicability of consumer protection and compliance laws, regulations, and policies to activities conducted via social media by financial institutions and by nonbank entities supervised by the CFPB. The guidance provides considerations that financial institutions may find useful in conducting risk assessments and reviewing policies and procedures regarding social media.</p> <p>See http://fdic.gov/news/news/financial/2013/fil13056.html.</p>
FDIC Releases Technical Assistance Videos on Flood Insurance and Appraisals (PR-110-2013, December 5, 2013)	<p>The FDIC announced the release of two technical assistance videos in an ongoing series designed to provide useful information to bank directors, officers, and employees on regulatory issues and proposed regulatory changes. The new videos address regulatory requirements and questions pertaining to flood insurance and real estate appraisals and evaluations.</p> <p>See http://fdic.gov/news/news/press/2013/pr13110.html.</p>
FDIC Issues Policy Statement on the Principles for Development and Distribution of Annual Stress Test Scenarios (<i>Federal Register</i>, Vol. 78, No. 232, p. 72534, December 3, 2013)	<p>The FDIC published final guidance articulating the general processes and factors to be used by the Corporation in developing and distributing stress-test scenarios for covered banks. On October 15, 2012, the FDIC published in the <i>Federal Register</i> a final rule implementing Section 165(i) of the Dodd-Frank Act, under which FDIC-insured state nonmember banks and savings associations with total consolidated assets of more than \$10 billion are required to conduct annual stress tests using a minimum of three stress test scenarios (baseline, adverse, and severely adverse). The final guidance took effect January 2, 2014.</p> <p>See http://www.gpo.gov/fdsys/pkg/FR-2013-12-03/pdf/2013-28608.pdf.</p>