

Rules and Regulations

Federal Register

Vol. 78, No. 245

Friday, December 20, 2013

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

FEDERAL RESERVE SYSTEM

12 CFR Parts 208, 217, and 225 Regulations H, Q, and Y

[Docket No. R-1442]

RIN 7100-AD 87

Regulatory Capital Rules: Regulatory Capital, Implementation of Basel III, Capital Adequacy, Transition Provisions, Prompt Corrective Action, Standardized Approach for Risk-Weighted Assets, Market Discipline and Disclosure Requirements, Advanced Approaches Risk-Based Capital Rule, and Market Risk Capital Rule

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Correction, final rule.

SUMMARY: The Board of Governors of the Federal Reserve System published in the *Federal Register* of October 11, 2013, a document adopting a final rule that revises its risk-based and leverage capital requirements for banking organizations. This document adds an acceleration clause under the capital components and eligibility criteria for regulatory capital instruments and corrects an incorrect citation.

DATES: *Effective Date:* January 1, 2014.

FOR FURTHER INFORMATION CONTACT: Benjamin McDonough, Senior Counsel, (202) 452-2036; or David Alexander, Senior Attorney, (202) 452-2877.

SUPPLEMENTARY INFORMATION: The Board published a document in the *Federal Register* of October 11, 2013, adopting a final rule that revises its risk-based and leverage capital requirements for banking organizations. An allowance for additional circumstances under which an acceleration clause would be permitted under the capital components and eligibility criteria for regulatory capital instruments was inadvertently omitted from that notice.

In addition, this notice corrects an incorrect citation to the authority for 12 CFR part 208.

In the Final Rule, FR Doc. 2013-21653, published on October 11, 2013 (78 FR 62018), please correct the following:

PART 208—[AMENDED]

■ 1. Revise the authority for 12 CFR part 208 to read as follows:

Authority: 12 U.S.C. 24, 36, 92a, 93a, 248(a), 248(c), 321-338a, 371d, 461, 481-486, 601, 611, 1814, 1816, 1818, 1820(d)(9), 1823(j), 1828(o), 1831, 1831o, 1831p-1, 1831r-1, 1831w, 1831x, 1835a, 1882, 2901-2907, 3105, 3310, 3331-3351, 3905-3909, and 5371; 15 U.S.C. 78b, 78l(b), 78l(i), 780-4(c)(5), 78q, 78q-1, and 78w, 1681s, 1681w, 6801, and 6805; 31 U.S.C. 5318; 42 U.S.C. 4012a, 4104a, 4104b, 4106 and 4128.

■ 2. In § 217.20, under amendatory instruction 49A, revise paragraph (d)(1)(vi) to read as follows:

§ 217.20 Capital components and eligibility criteria for regulatory capital instruments.

* * * * *

(vi) The holder of the instrument must have no contractual right to accelerate payment of principal or interest on the instrument, except in the event of a receivership, insolvency, liquidation, or similar proceeding of the state member bank or depository institution holding company, as applicable, or of a major subsidiary depository institution of the depository institution holding company.

* * * * *

By order of the Board of Governors of the Federal Reserve System, December 11, 2013.

Robert deV. Frierson,

Secretary of the Board.

[FR Doc. 2013-29883 Filed 12-19-13; 8:45 am]

BILLING CODE 6210-01-P

FEDERAL RESERVE SYSTEM

12 CFR Part 234

[Regulation HH; Docket No. R-1455]

RIN 7100 AD-94

Financial Market Utilities

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rulemaking.

SUMMARY: The Dodd-Frank Wall Street Reform and Consumer Protection Act

(the “Dodd-Frank Act” or “Act”) permits the Board of Governors of the Federal Reserve System (the “Board”) to authorize a Federal Reserve Bank to establish and maintain an account for, and through the account provide certain financial services to, financial market utilities (“FMUs”) that are designated as systemically important by the Financial Stability Oversight Council (the “Council”). In addition, the Dodd-Frank Act permits a Reserve Bank to pay interest on the balances maintained by or on behalf of a designated FMU. The Board is promulgating regulations to implement these provisions of the Dodd-Frank Act.

DATES: This final rule is effective February 18, 2014.

FOR FURTHER INFORMATION CONTACT: Jeff Stehm, Senior Associate Director (202) 452-2217 or Stuart Sperry, Assistant Director (202) 452-3832, Division of Reserve Bank Operations and Payment Systems; Christopher W. Clubb, Special Counsel (202) 452-3904 or Kara L. Handzlik, Counsel (202) 452-3852, Legal Division; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263-4869.

SUPPLEMENTARY INFORMATION:

I. Background

A. Dodd-Frank Wall Street Reform and Consumer Protection Act

FMUs, such as payment systems, central securities depositories, and central counterparties, are critical components of the nation’s financial system that provide the essential infrastructure to clear and settle payments and other financial transactions, upon which the financial markets and the broader economy rely to function effectively. FMUs operate multilateral systems in which financial institutions, such as banks, participate pursuant to a common set of rules and procedures, a technical infrastructure, and a risk-management framework.¹

Title VIII of the Dodd-Frank Act, titled the “Payment, Clearing, and Settlement Supervision Act of 2010,” was enacted to mitigate systemic risk in the financial system and to promote

¹ Under section 803 of the Act, an FMU is defined as a person that manages or operates a multilateral system for the purpose of transferring, clearing, or settling payments, securities, or other financial transactions among financial institutions or between financial institutions and the person. 12 U.S.C. 5462(6).