



FEDERAL RESERVE BANK *of* KANSAS CITY

April 21, 2015

INTERAGENCY FREQUENTLY ASKED QUESTIONS
ON THE REGULATORY CAPITAL RULE

Attention: Chief Executive Officer of Each Tenth District State Member Bank or Chief Executive Officer of Each Holding Company with \$1 Billion or More in Total Consolidated Assets

In Brief: The Board of Governors of the Federal Reserve System (the Board), the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency (collectively, the agencies) issued Frequently Asked Questions (FAQs) in response to questions raised by supervised financial institutions concerning the agencies' regulatory capital rules.

Highlights: The FAQs are interpretations that serve to clarify expectations concerning the regulatory capital rules. Topics covered include, but are not limited to, the following:

- The definition of capital,
- High-volatility commercial real estate (HVCRE) exposures,
- Other real estate exposures,
- Off-balance-sheet exposures, and
- Equity exposures to investment funds.

The agencies anticipate that additional FAQs will be developed over time and the Board will periodically update the FAQ document supporting Supervision and Regulation Letter 15-6 to reflect new interpretations.

Contact: Please direct any questions concerning the regulatory capital rule to Lead Risk Specialist Nancy Fitzgerald at (816) 881-6847, or contact your Federal Reserve Bank of Kansas City Examinations and Inspections central point of contact at (800) 333-1010.

Internet Link: A copy of the Federal Reserve Supervision and Regulation Letter SR 15-6, which contains a link to the FAQ document, is available on the Board's public web site at: <http://www.federalreserve.gov/bankinfo/srletters/SR1506.htm>