

Proposal: 1813 (AG64) Reg H, Q, LL & YY-Regulatory Capital Rule: Amendments to LBOs and Banking Organizations

Description:

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Comment ID: 157186

From: Anonymous

Proposal: 1813 (AG64) Reg H, Q, LL & YY-Regulatory Capital Rule: Amendments to LBOs and Banking Organizations

Subject: R-1813 Regulatory Capital Rule: Amendments Applicable to Large Banking Organizations and to Banking

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Comments:

Date: Jan 15, 2024

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Proposal: Regulatory Capital Rule: Amendments Applicable to Large Banking Organizations and to Banking Organizations with Significant Trading Activity [R-1813]

Document ID: R-1813

Revision: 1

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Your comment: If the Board were to move forward with a substantive portion of proposed amendments, it should consider adjustments to credit risk mitigation techniques that would bring them on par with EU regulation. Areas that require greater flexibility for banks are (i) self issued CLN, (ii) the use of credit insurance as an effective CRT in addition to financial guarantee and credit derivative (iv) greater reliance on ratings substitution in addition to collateral for securitization exposures and (iv) consistent guidance issued by all three agencies, for example it is cumbersome for a bank to solely rely on a reservation of authority issued the Fed when it's unclear if the OCC and FDIC are aligned with such guidance.