



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

DECEMBER 11, 2014

Mr. John F. Woods
Chief Financial Officer
MUFG Americas Holdings Corporation
1251 Avenue of the Americas
New York, New York 10020

Dear Mr. Woods:

This is in response to your request for the Board's approval, under section 217.153(e)(2)(i)(C) of the Board's Regulation YY,¹ of the election by MUFG Americas Holdings Corporation (MAHC), New York, New York, not to comply with the requirements of subpart E to 12 CFR part 217 of the Board's capital adequacy standards (the advanced approaches rule).²

Under the Board's Regulation YY, a foreign banking organization with U.S. non-branch assets of \$50 billion or more as of June 30, 2015, is required to form or designate a U.S. intermediate holding company by July 1, 2016, to hold its interests in its U.S. subsidiaries. The U.S. intermediate holding company is generally subject to the same risk-based and leverage capital rules that apply to a bank holding company, provided however, that a U.S. intermediate holding company formed under Regulation YY is not required to comply with the Board's advanced approaches rule.³ Regulation YY permits an existing bank holding company subsidiary of a foreign banking organization to elect not to comply with the advanced approaches rule with the Board's prior written approval.⁴

MAHC is a subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG), Tokyo, Japan. MUFG is a foreign banking organization with approximately \$ [REDACTED] in total U.S. assets as of June 30, 2014. Because MUFG expects that its U.S. non-branch assets will exceed \$50 billion on June 30, 2015, it will be required to form or designate a U.S.

¹ 12 CFR 252.153(e)(2)(i)(C).

² Subpart E to 12 CFR part 217.

³ 12 CFR 225.153(e)(2)(i)(A).

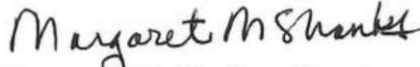
⁴ 12 CFR 225.153(e)(2)(i)(C).

intermediate holding company under Regulation YY.⁵ [REDACTED]

MAHC, a bank holding company that is currently subject to the Board's advanced approaches rule, is requesting, pursuant to section 217.153(e)(2)(i)(C) of the Board's Regulation YY, that the Board approve its election to opt out of the advanced approaches rule. MAHC will continue to be subject to standardized risk-based capital rules, leverage capital rules, and capital planning and supervisory stress testing requirements.

After consideration of all relevant facts, the Board has approved MAHC's election not to comply with the requirements of subpart E to 12 CFR part 217. This action is based on all the facts of record and on all the representations and commitments made by you in the submissions to the Board in connection with the request. These representations and commitments constitute conditions imposed in writing in connection with the findings and decisions herein and, as such, may be enforced in proceedings under applicable law. Any material change in those facts or representations could affect this approval and should be communicated promptly to Board staff.

Very truly yours,



Margaret McCloskey Shanks
Deputy Secretary of the Board

cc: Mr. Jose Alonso, Vice President
Federal Reserve Bank of San Francisco

⁵ 12 CFR 252.152.