

**Communication Between Federal Reserve Board (Board) Staff and
Representatives of BOK Financial
January 6, 2012**

Participants: Art Lindo (Federal Reserve Board)

Martin Grunst and Tamara Wagman (BOK Financial)

Summary: Board staff received a letter from BOK Financial regarding the Basel III capital framework and the Board's role in developing regulations to implement the framework in the United States. The letter raised questions about the implications of Basel III on the capital and lending capacity of banking organizations and on systemic risk generally. The letter also presented views regarding the impact of various interest rate environment changes on the financial strength and performance of banking organizations under Basel III. The letter proposed alternatives that might be available to banks to address these concerns and evaluated the anticipated effectiveness of each alternative and potential issues in the implementation of alternative strategies.