

consolidated ABCP program assets from their risk-weighted asset bases for the purpose of calculating their risk-based capital ratios. Sponsoring banking organizations must continue to hold risk-based capital against all other risk exposures arising in connection with ABCP programs, including direct credit substitutes, recourse obligations, residual interests, long-term liquidity facilities, and loans, in accordance with each agency's existing risk-based capital standards. In addition, any minority interests in ABCP programs that are consolidated as a result of FIN 46 are to be excluded from sponsoring banking organizations' minority interest component of tier 1 capital and, hence, from total risk-based capital.

This interim capital treatment will be applicable only for the regulatory reporting periods ending September 30 and December 31, 2003, and March 31, 2004. In addition, this interim capital treatment does not alter the accounting rules for balance sheet consolidation nor does it affect the denominator of the tier 1 leverage capital ratio calculation, which continues to be based primarily on on-balance sheet assets as reported under generally accepted accounting principles (GAAP). Thus, as a result of FIN 46, banking organizations must include all assets of consolidated ABCP programs in on-balance sheet assets for purposes of calculating the tier 1 leverage capital ratio.

The agencies also have issued a related notice of proposed rulemaking published elsewhere in today's **Federal Register**, in which the agencies are soliciting comments on a permanent risk-based capital treatment for the risks arising from ABCP programs.

DATES: This interim final rule is effective October 1, 2003. Comments on the interim final rule must be received by November 17, 2003.

ADDRESSES: Comments should be directed to:

OCC: You should send comments to the Public Information Room, Office of the Comptroller of the Currency, Mailstop 1-5, Attention: Docket No. 03-21, 250 E Street, SW., Washington, DC 20219. Due to delays in the delivery of paper mail in the Washington area and at the OCC, commenters are encouraged to submit comments by fax or e-mail. Comments may be sent by fax to (202) 874-4448, or by e-mail to regs.comments@occ.treas.gov. You can make an appointment to inspect and photocopy the comments by calling the Public Information Room at (202) 874-5043.

Board: Comments should refer to Docket No. R-1156 and may be mailed

to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th and Constitution Avenue, NW., Washington, DC 20551. However, because paper mail in the Washington area and at the Board of Governors is subject to delay, please consider submitting your comments by e-mail to

regs.comments@federalreserve.gov, or faxing them to the Office of the Secretary at 202/452-3819 or 202/452-3102. Members of the public may inspect comments in Room MP-500 of the Martin Building between 9 a.m. and 5 p.m. weekdays pursuant to § 261.12, except as provided in § 261.14, of the Board's Rules Regarding Availability of Information, 12 CFR 261.12 and 261.14.

FDIC: Written comments should be addressed to Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429. Comments also may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street), on business days between 7 a.m. and 5 p.m. Comments may be inspected and photocopied in the FDIC Public Information Center, Room 100, 801 17th Street, NW., Washington, DC, between 9 a.m. and 4:30 p.m. on business days.

OTS: Send comments to Regulation Comments, Chief Counsel's Office, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552, Attention: No. 2003-48.

Delivery: Hand deliver comments to the Guard's Desk, East Lobby Entrance, 1700 G Street, NW., from 9 a.m. to 4 p.m. on business days, Attention: Regulation Comments, Chief Counsel's Office, Attention: No. 2003-48.

Facsimiles: Send facsimile transmissions to FAX Number (202) 906-6518, Attention: No. 2003-48.

E-Mail: Send e-mails to regs.comments@ots.treas.gov, Attention: No. 2003-48 and include your name and telephone number. Due to temporary disruptions in mail service in the Washington, DC area, commenters are encouraged to send comments by fax or e-mail, if possible.

Availability of comments: OTS will post comments and the related index on the OTS Internet Site at <http://www.ots.treas.gov>. In addition, you may inspect comments at the Public Reading Room, 1700 G Street, NW., by appointment. To make an appointment for access, call (202) 906-5922, send an e-mail to public.info@ots.treas.gov, or send a facsimile transmission to (202) 906-7755. (Please identify the materials you would like to inspect to assist us in serving you.) We schedule

appointments on business days between 10 a.m. and 4 p.m. In most cases, appointments will be available the business day after the date we receive a request.

FOR FURTHER INFORMATION CONTACT:

OCC: Amrit Sekhon, Risk Expert, Capital Policy Division, (202) 874-5211; Mauricio Claver-Carone, Attorney, or Ron Shimabukuro, Special Counsel, Legislative and Regulatory Activities Division, (202) 874-5090, Office of the Comptroller of the Currency, 250 E Street, SW., Washington, DC 20219.

Board: Thomas R. Boemio, Senior Supervisory Financial Analyst, (202) 452-2982, David Kerns, Supervisory Financial Analyst, (202) 452-2428, Barbara Bouchard, Assistant Director, (202) 452-3072, Division of Banking Supervision and Regulation; or Mark E. Van Der Weide, Counsel, (202) 452-2263, Legal Division. For the hearing impaired *only*, Telecommunication Device for the Deaf (TDD), (202) 263-4869.

FDIC: Jason C. Cave, Chief, Policy Section, Capital Markets Branch, (202) 898-3548, Robert F. Storch, Chief Accountant, Division of Supervision and Consumer Protection, (202) 898-8906; Michael B. Phillips, Counsel, Supervision and Legislation Branch, Legal Division, (202) 898-3581, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

OTS: Michael D. Solomon, Senior Program Manager for Capital Policy, (202) 906-5654, David W. Riley, Project Manager, Supervision Policy, (202) 906-6669; or Teresa A. Scott, Counsel (Banking and Finance), (202) 906-6478, Office of Thrift Supervision, 1700 G Street, NW., Washington, DC 20552.

SUPPLEMENTARY INFORMATION:

I. Background

An asset-backed commercial paper (ABCP) program typically is a program through which a banking organization provides funding to its corporate customers by sponsoring and administering a bankruptcy-remote special purpose entity that purchases asset pools from, or extends loans to, those customers. The asset pools in an ABCP program may include, for example, trade receivables, consumer loans, or asset-backed securities. The ABCP program raises cash to provide funding to the banking organization's customers through the issuance of commercial paper into the market. Typically, the sponsoring banking organization provides liquidity and credit enhancements to the ABCP program, which aids the program in obtaining high quality credit ratings that