

Laws and Regulations Announcement

Amendments Proposed to Regulation on Supervision of Banking Business

Agency: Financial Services Commission

Proposed amendment: Regulation on Supervision of Banking Business

FSC Notice number: 2017-273

Announcement date: October 13, 2017

Summary: The Financial Services Commission proposed

amendments to the Regulation on Supervision of Banking Business for the implementation of the net stable funding ratio (NSFR) and the leverage ratio as set

by the Basel Committee on Banking Supervision.

Key provisions: • The NSFR will be implemented to ensure banks

employ stable sources of funding for their operational activities and reduce their longer-term funding risk. The minimum NSFR for banks is to be set at 100

percent.

 New leverage ratio will be implemented to control excessive leveraging by banks. The minimum ratio is

to be set at 3 percent.

Public comment for the proposed amendments:

The public comment period for the proposed rule

changes ends on November 19, 2017.