FDIC

Agencies Issue Proposal to Focus Supervision on Material Financial Risks

Laws and Regulations

Supervisory Guidance

October 7, 2025

Summary:

The Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (the agencies) issued a joint notice of proposed rulemaking that would continue their effort to focus supervision on material financial risks. Among other things, the proposal would define the term “unsafe or unsound practice” for purposes of section 8 of the Federal Deposit Insurance Act and revise the supervisory framework for the issuance of matters requiring attention (MRAs) and other supervisory communications.

Statement of Applicability: The contents of, and material referenced in, this FIL apply to all FDIC-supervised financial institutions.

Highlights:

By establishing a uniform definition for the term “unsafe or unsound practice” for the purposes of the agencies’ enforcement and supervisory authority under 12 U.S.C. 1818, the proposed rule would promote greater clarity and certainty regarding certain enforcement and supervision standards and ensure bank supervisors prioritize concerns related to material financial risks over those regarding policies, process, documentation, and other nonfinancial risks.

The proposed rule would also establish uniform standards for when and how the agencies may communicate MRAs and non-binding supervisory observations as part of the examination process.

Comments on the attached proposal are due 60 days after the date of publication in the *Federal Register*.

FIL-45-2025

Attachment(s)

Notice of Proposed Rulemaking Regarding Unsafe or Unsound Practices, Matters Requiring Attention (PDF) (https://www.fdic.gov/board/npr-unsafe-or-unsound-practices-matters-requiring-attention.pdf)

Related Topics

Examination Processes and Procedures

Contact(s)

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