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MEMORANDUM

February 15, 2021

To Our Clients and Friends

Re: Agencies Issue Final Rule Codifying the Role of Supervisory Guidance

The Comptroller of the Currency, the Consumer Financial Protection Bureau and FDIC have issued final rules codifying the 2018 Interagency Statement Clarifying the Role of Supervisory Guidance issued by the agencies. The Federal Reserve Board has not yet issued its final rule. The OCC and CFPB's rules are effective March 15, 2021. The FDIC's rule has not to date been published in the *Federal Register*.

The Statement codified by the agencies reiterates well-established law that, unlike laws or regulations, supervisory guidance does not have the force and effect of law. Accordingly, supervisory guidance does not create binding legal obligations. The Statement provides that supervisory guidance outlines agency expectations or priorities and the agency's general views regarding appropriate practices. It also states that the agencies do not take enforcement actions based on supervisory guidance.

Copies of the final rules are available on our website at <http://schwartzandballen.com/news.html>.

For more information, please call Gilbert Schwartz, Robert Ballen, Heidi Wicker, or Victor Razon at (202) 776-0700.