

**Meeting Between Staff of the Federal Reserve Bank of San Francisco and
Axos Financial, Inc.
September 27, 2023**

Participants: Joe Lozano, Keith Dudley, and Mike Curran (Federal Reserve Bank of San Francisco)

Greg Garrabrants, John Tolla, and Eshal Bar-Adon (Axos Financial, Inc.)

Summary: Staff of the Federal Reserve Bank of San Francisco met with representatives of Axos Financial, Inc. to discuss the agencies' Basel III endgame notice of proposed rulemaking (Basel III endgame proposal). Representatives of Axos Financial, Inc. expressed concerns regarding unintended competitive consequences from the Basel III endgame proposal for banks with less than \$100 billion in assets and requested that potential competitive consequences to smaller banks be analyzed as part of the rulemaking. In particular, representatives expressed concern that the risk weighting of regulatory residential real estate exposures based on loan-to-value (LTV) in the Basel III endgame proposal would harm the smaller banks by providing a competitive advantage to large banks making low LTV loans.