



Federal Deposit Insurance Corporation
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Financial Institution Letter
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MAJOR DISASTER EXAMINER GUIDANCE

Interagency Supervisory Examiner Guidance for Institutions Affected by a Major Disaster

Summary: The federal financial institution regulatory agencies, in consultation with the Conference of State Bank Supervisors, have jointly issued the attached guidance outlining the supervisory practices to be followed in assessing the financial condition of insured depository institutions and branches and agencies of foreign banking organizations (institutions) affected by a disaster that results in the President declaring an area a major disaster with individual assistance.

Statement of Applicability to Institutions With Total Assets Under \$1 Billion: This Financial Institution Letter applies to all FDIC-supervised institutions that are directly affected by a major disaster.

Distribution:

FDIC-Supervised Institutions

Suggested Routing:

Chief Executive Officer
Chief Financial Officer
Chief Lending Officer

Related Topics:

FFIEC Accounting and Regulatory Reporting Questions & Answers at www.FFIEC.gov

Attachments:

[Interagency Supervisory Guidance for Institutions Affected by a Major Disaster](#)

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Note:

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Highlights:

- Areas declared a major disaster with individual assistance generally experience extensive damage that will continue to affect the business activities of the institutions serving that area for an extended period of time.
- The attached *Interagency Supervisory Guidance for Institutions Affected by a Major Disaster* describes supervisory practices for institutions directly affected by a major disaster, including institutions that may be located outside the area declared a major disaster, but have loans or investments to individuals or entities located in the area declared a major disaster.
- The supervisory agencies will work with institutions affected by a major disaster to determine their needs, reschedule any examinations, consider extensions for filing quarterly Reports of Condition and Income or other reports, and address capital declines due to temporary deposit growth, as needed.
- The guidance indicates examiners will consider how management at affected institutions conduct initial risk assessments and refine such assessments as more complete information becomes available and recovery efforts proceed.
- The guidance states examiners will consider the extent to which weaknesses in an institution's financial condition are caused by external problems related to the major disaster and its aftermath.