



Federal Deposit Insurance Corporation  
550 17th Street, NW, Washington, D.C. 20429-9990

Financial Institution Letter  
FIL-17-2019  
April 2, 2019

## Current Expected Credit Losses (CECL) Webinar: Weighted-Average Remaining Maturity (WARM) Method

**Summary:** The federal financial institution regulatory agencies will host an interagency webinar focusing on the application of the Weighted-Average Remaining Maturity (WARM) method for estimating allowances for credit losses in accordance with Accounting Standards Update No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This event will be held in conjunction with the Financial Accounting Standards Board (FASB), the U.S. Securities and Exchange Commission (SEC), and the Conference of State Bank Supervisors (CSBS). The webinar is scheduled for April 11, 2019, at 2:00 p.m. Eastern Time.

**Statement of Applicability to Institutions with Total Assets Under \$1 Billion:** This Financial Institution Letter applies to all FDIC-supervised institutions, but is particularly targeted to smaller, less complex institutions.

### Distribution:

FDIC-Supervised Institutions

### Suggested Routing:

Chief Executive Officer  
Chief Financial Officer  
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### Related Topics:

[FIL-39-2016, June 17, 2016, Joint Statement on New Accounting Standard on Financial Instruments – Credit Losses](#)

[FIL-41-2017, September 6, 2017, New Accounting Standard on Credit Losses: Frequently Asked Questions](#)

[Community Bank Webinar: Implementation Examples for the Current Expected Credit Losses Methodology, February 27, 2018](#)

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Division of Risk Management Supervision

### Note:

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Paper copies may be obtained via the FDIC's Public Information Center, 3501 Fairfax Drive, E-1002, Arlington, VA 22226 (877-275-3342 or 703-562-2200).

### Highlights:

- On Thursday, April 11, 2019, from 2:00 p.m. to 3:30 p.m., Eastern Time, the federal financial institution regulatory agencies, in conjunction with the FASB, the SEC, and the CSBS, will jointly host an "Ask the Regulators: CECL Webinar: Weighted-Average Remaining Maturity Method."
- In January 2019, the FASB issued a Staff Q&A [document](#) confirming that the WARM method is one of many acceptable methods that could be used to estimate allowances for less complex financial asset pools under CECL. The April 11 webinar primarily will address the use of the WARM method.
- The FASB Staff Q&A document aligns with information communicated in the interagency banker [webinar](#) on February 27, 2018, that discussed practical examples of how smaller, less complex community banks can implement CECL.
- Bankers are encouraged to invite representatives from the functional areas within their institutions who are involved in the implementation of the new credit losses accounting standard and from their external audit firm to participate in the webinar.
- Participants may join the webinar at <https://www.webcaster4.com/Webcast/Page/583/29509>. Advance registration is not required; however, participants are encouraged to do so at this link. Participants are asked to join the webinar 15 minutes before it begins.
- A question-and-answer session will follow the presentation. We encourage participants to submit questions in advance to the webinar producer at [rapid@stls.frb.org](mailto:rapid@stls.frb.org). Other questions about the webinar or your registration also may be directed to the producer at the same email address.
- Webinar materials will be archived for future viewing.