



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

Financial Institution Letter
FIL-48-2019
August 27, 2019

Interagency Webinar: Applying Model Risk Management to Current Expected Credit Losses (CECL) Models at Large Banks

Summary: The FDIC, the Federal Reserve, and the Office of the Comptroller of the Currency (the Agencies) will jointly host a webinar to clarify the use of model risk management by large institutions for model-based processes employed in their CECL frameworks. The webinar is scheduled for Tuesday, September 3, 2019, at 2:00 p.m. Eastern Daylight Time (EDT).

Statement of Applicability to Institutions with Total Assets Under \$1 Billion: This Financial Institution Letter is targeted to FDIC-supervised institutions with at least \$50 billion in total assets. However, all FDIC-supervised institutions are welcome to participate in the webinar.

Suggested Distribution:

FDIC-Supervised Institutions

Suggested Routing:

Chief Executive Officer
Chief Financial Officer
Chief Credit 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-22-2017, June 7, 2017, Adoption of Supervisory Guidance on Model Risk Management](#)

[FIL-20-2019, April 3, 2019, New Accounting Standard on Credit Losses: Frequently Asked Questions](#)

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Highlights:

- The Agencies will host an interagency webinar, "Ask the Regulators: Applying Model Risk Management to CECL Models at Large Banks," on Tuesday, September 3, 2019, from 2:00 p.m. to 3:00 p.m. EDT.
- The Agencies recognize that models may be used to varying degrees for CECL. Consistent with safety and soundness standards, institutions should exercise sound risk management practices over all aspects of their CECL frameworks, including models. These frameworks should be appropriate for the size and complexity of institutions.
- Bankers are encouraged to invite representatives from functional areas within their institutions who are involved in the implementation of the new credit losses accounting standard to participate in the webinar.
- Participants may join the webinar at <https://www.webcaster4.com/Webcast/Page/583/31365> starting 15 minutes before the webinar begins. Advance registration is not required; however, participants are encouraged to register in advance using this link.
- Participants may dial into the audio portion of the webinar at 888-625-5230 using participant passcode 70397607#.
- 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. Other questions about the webinar or your registration may be directed to the producer at the same email address.
- Webinar materials will be archived for future viewing.