

DATE: March 4, 2004

SUBJECT: Interagency Update on Accounting for Loan and Lease Losses.

HIGHLIGHTS: The Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, Office of Thrift Supervision, and National Credit Union Administration (the agencies) have issued the attached interagency Update on Accounting for Loan and Lease Losses. This statement describes recent developments in accounting for the allowance for loan and lease losses (ALLL). In addition, the statement identifies current sources of generally accepted accounting principles (GAAP) and supervisory guidance, which should be used by financial organizations in determining the ALLL and associated provisions for loan losses.

DOCUMENT

LOCATION: <http://www.federalreserve.gov/boarddocs/SRLETTERS/2004/sr0405.htm>

**FURTHER
INFORMATION:**

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