

DATE: September 21, 2005

SUBJECT: Supervisory Practices Regarding Banking Organizations and Consumers Affected by Hurricane Katrina.
(SR 05-16)

HIGHLIGHTS: The Federal Reserve is issuing this statement to advise banking organizations that we will work actively to respond to issues that arise in the wake of the damage caused by Hurricane Katrina. In particular, it is the long-standing policy of the Federal Reserve to encourage bankers to work with borrowers and other customers in communities and regions affected by disasters. The Federal Reserve also wishes to remind banking organizations that there is regulatory flexibility available to facilitate recovery in the affected areas. In this spirit, we encourage banking organizations to work with supervisory staff at their Reserve Banks for further guidance on issues related to this disaster.

DOCUMENT LOCATION: <http://www.federalreserve.gov/boarddocs/srletters/2005/sr0516.htm>

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