

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

April 8, 2013

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, Savings and Loan Holding Companies,
and Foreign Banking Offices
in the Twelfth Federal Reserve District

**SR 13-6 / CA 13-3 Supervisory Practices Regarding Banking Organizations and Other Customers
Affected by a Major Disaster or Emergency**

On March 29, 2013, the Board of Governors of the Federal Reserve System issued [SR 13-6 / CA 13-3](#). The purpose of the letter is to highlight the supervisory practices that the Federal Reserve can employ when banking organizations and their borrowers and other customers are affected by a major disaster or emergency. In this context, the Federal Reserve is affirming its long-standing policy of using available flexibility, consistent with statutory and regulatory requirements, to facilitate the recovery efforts of affected banking organization. In particular, the Federal Reserve will consider the unusual circumstances these organizations face in reviewing their financial conditions and determining any supervisory response. The Federal Reserve will also try to work with affected banking organizations in scheduling on-site examinations or inspections to minimize disruption and burden. The letter also discusses the specific effect of certain regulations, including the Depository Institutions Relief Act of 1992, which allows the agencies to waive real-estate related appraisal regulations in certain instances, and the Community Reinvestment Act (CRA), which discusses the agencies' consideration of activities that revitalize or stabilize a designated disaster area in evaluating a bank's record of helping to meet the credit needs of its community.

In addition, the letter encourages banking organizations to work with affected borrowers and their customers in the event of a major disaster or emergency. Banking organizations' efforts to work with customers in communities under stress may contribute to the health and recovery of these communities. Such efforts serve the long-term interests of the affected banking organizations, provided such efforts are consistent with safe and sound banking practices.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information regarding the Federal Reserve's supervisory expectations, please contact:

Federal Reserve Bank of San Francisco
Banking Supervision and Regulation
(415) 974-2923 Safety and Soundness
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