



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC Launches *Supervisory Insights* Journal

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) today released the inaugural issue of its new publication ***Supervisory Insights***. The journal provides a forum for discussing how bank regulation and policy are put into practice in the field, sharing best practices, and communicating about the emerging issues that bank supervisors are facing.

"The practice of banking supervision continues to evolve," said Don Powell, Chairman of the FDIC. "***Supervisory Insights*** will promote the ongoing supervisory debate and help focus attention on key issues that supervisors and examiners tackle every day."

Articles featured in the Summer 2004 issue of ***Supervisory Insights*** describe a number of areas of current supervisory focus at the FDIC. The industrial loan company (ILC) charter has received considerable attention over the years as part of the ongoing debate about the mixing of banking and commerce. Some observers have questioned whether current regulatory arrangements would provide sufficient protection to insured entities if the ILC charter were to grow in importance. The lead article in this issue of ***Supervisory Insights*** puts ILC supervision strategies in historical context, and includes a brief chronology of ILC failures.

Other articles in this issue of ***Supervisory Insights*** explain the evolution of the FDIC's approach to consumer compliance examinations and discuss the results of an FDIC pilot program in the Atlanta metropolitan area that attempted to "get behind the numbers" on bank commercial real estate lending and understand the potential portfolio risk. This issue also analyzes the results of the FDIC's review of those community banks that are the heaviest users of Federal Home Loan Bank advances and focuses on how these institutions are managing this product.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-71-2004

The new journal also includes regular features. This issue's "Accounting News" provides a detailed explanation of how to comply with recently issued guidance on accounting for purchased impaired loans. "From the Examiner's Desk" provides perspective on how certain provisions of the USA PATRIOT Act affect banks and examiners.

Supervisory Insights is available online by visiting the FDIC's Web site at <http://www.fdic.gov/regulations/examinations/index.html>. Suggestions for topics for future issues and requests for print copies can be e-mailed to supervisoryjournal@fdic.gov.