PRESS RELEASE
Federal Deposit Insurance Corporation ● Each Depositor insured to at least $250,000

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Media Contact:
David Barr (202) 898-6992
dbarr@fdic.gov

FDIC Publication Provides Useful Information On SBA Lending to Bankers and Examiners

The FDIC continues to encourage banks to lend to creditworthy small businesses. As reported in the Summer 2011 issue of ***Supervisory Insights,*** released today, the guaranty that accompanies a Small Business Administration (SBA) loan is increasingly attractive to institutions looking to expand lending opportunities. However, banks need to develop specialized expertise before becoming involved in SBA lending.

"SBA Lending: Insights for Lenders and Examiners" reviews the SBA products lenders most often use as well as the associated technical underwriting, servicing, and liquidation requirements. "We are providing useful information to bankers that will help them successfully navigate these requirements," said Sandra L. Thompson, Director, Division of Risk Management Supervision. "We also are giving examiners information they can use when reviewing a bank's SBA lending program."

This issue of ***Supervisory Insights*** also looks at how an increasing number of financial institutions are entering into deposit relationships with third-party payment processors. "Managing Risks in Third-Party Payment Processor Relationships" identifies warning signs that may indicate heightened risk in a payment processor relationship, discusses the controls that should be in place to manage this risk, and explains supervisory remedies that may be used when it is determined a financial institution does not have an adequate program to monitor and mitigate the risks.

Supervisory Insights 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 face. The journal is available on the FDIC's Web site at http://www.fdic.gov/regulations/examinations/supervisory/insights/index.html. Suggestions for future topics and requests for permission to reprint articles should be e-mailed to supervisoryjournal@fdic.gov. Requests for print copies should be e-mailed to publicinfo@fdic.gov.

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.

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