



Supervisory Insights Journal

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TO: CHIEF EXECUTIVE OFFICER

SUBJECT: FDIC Announces Inaugural Issue of Supervisory Insights Journal

Summary: *The FDIC has announced the launch of Supervisory Insights - a new publication that will provide 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 Federal Deposit Insurance Corporation (FDIC) is pleased to announce the release of its new publication **Supervisory Insights**. The FDIC believes that insured financial institution management and staff will find the journal of interest.

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. Articles featured in the Summer 2004 issue of **Supervisory Insights** describe a number of areas of current supervisory focus at the FDIC, such as the industrial loan company (ILC) charter, which has received considerable attention as part of the ongoing debate about mixing banking and commerce, most recently in connection with widely anticipated forays into banking by large retail businesses; the evolution of the FDIC's approach to consumer compliance examinations; and 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 community banks that are the heaviest users of Federal Home Loan Bank advances and focuses on how these institutions are managing this product.

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>.

For your reference, FDIC Financial Institution Letters may be accessed on the FDIC's Web site at <http://www.fdic.gov/news/news/financial/2004/index.html>. To learn how to automatically receive FDIC Financial Institution Letters through e-mail, please visit <http://www.fdic.gov/about/subscriptions/index.html>.

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Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (1-877-275-3342 or (703) 562-2200).