



Guidelines for Financial Institution Directors

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TO: CHIEF EXECUTIVE OFFICER  
SUBJECT: *Reprint of Pocket Guide for Directors*

The Federal Deposit Insurance Corporation is pleased to provide you with a reprint of its popular Pocket Guide for Directors. The booklet offers financial institution Directors accessible and practical guidance in overseeing their institutions' business.

Despite the challenge that financial institution Directors face today, they must always be mindful to:

- Maintain independence in their decisionmaking,
- Keep informed of the activities and condition of their institution,
- Ensure that the institution's day-to-day operations are in the hands of qualified management,
- Supervise management effectively, and
- Avoid preferential transactions involving insiders or their related interests.

The stability of every institution, as well as our nation's entire financial system, depends on Directors adhering to these principles.

Ten copies of the Pocket Guide are enclosed for distribution to your Directors. Please ensure that all board members receive a copy. If more copies are needed, please contact our Public Information Center (800-276-6003 or (703) 562-2200).

I am confident that your Board of Directors will find the Pocket Guide an excellent reference tool in meeting their responsibilities.

Andrew C. Hove, Jr.  
Chairman

Enclosures (not currently available in electronic format)

Distribution: All Insured Institutions

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, N.W., Room 100, Washington, D.C. 20434 (800-276-6003 or (703) 562-2200). FILs and Press Releases are available on the FDIC's web site at .