



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION
DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

SR 20-18

CA 20-13

August 3, 2020

TO THE OFFICER IN CHARGE OF SUPERVISION AT EACH FEDERAL RESERVE BANK AND INSTITUTIONS SUPERVISED BY THE FEDERAL RESERVE

SUBJECT: Joint Statement on Additional Loan Accommodations Related to COVID-19

Applicability: This letter is relevant for all institutions supervised by the Federal Reserve, including those with \$10 billion or less in consolidated assets.

This letter announces that the Federal Reserve and the other Federal Financial Institutions Examination Council (FFIEC) members¹ have issued the attached *Joint Statement on Additional Loan Accommodations Related to COVID-19*. This statement discusses risk management principles relevant to institutions that work with their borrowers as loans near the end of initial loan accommodation periods related to COVID-19. The statement includes principles for considering accommodation options and for restructuring safe and sound credit extensions going forward. The agencies encourage financial institutions to consider prudent accommodation options that can ease cash flow pressures on affected borrowers, improve their capacity to service debt, and facilitate a financial institution's ability to collect on its loans.

Reserve Banks are asked to distribute this letter to the supervised organizations in their districts and to appropriate supervisory staff. Questions may be sent via the Board's public website.²

Jennifer Burns
Deputy Director
Division of Supervision
and Regulation

Eric S. Belsky
Director
Division of Consumer and
Community Affairs

¹ Members of the FFIEC include the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau, the National Credit Union Association, and the State Liaison Committee.

² See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.

Attachment:

- [*Joint Statement on Additional Loan Accommodations Related to COVID-19*](#)

Cross References to:

- SR letter 13-17, “Interagency Supervisory Guidance Addressing Certain Issues Related to Troubled Debt Restructurings”
- Federal Reserve Board, April 7, 2020, press release, "Agencies issue revised interagency statement on loan modifications by financial institutions working with customers affected by the coronavirus"
<https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200407a.htm>
- SR 13-19/CA 13-21 “Guidance on Managing Outsourcing Risk”
- CA Letter 20-4, “CRA Consideration for Activities in Response to the Coronavirus”
- CA Letter 20-10, “Community Reinvestment Act (CRA) Consideration for Activities in Response to the Coronavirus”