

Federal Reserve Statement on Supervisory Activities

Update to March 24, 2020 Statement

On March 24, 2020, the Federal Reserve issued a statement to supervised financial institutions regarding its initial supervisory posture as a result of the COVID-19 response.¹ This initial posture included a reduced focus on examinations to allow firms to focus on adapting to COVID-19 containment actions and provide customers with needed assistance.

As financial institutions have had time to implement contingency operating plans and adapt operations to the COVID-19 operating environment, the Federal Reserve is resuming examination activities for all firms, including financial institutions with total consolidated assets of less than \$100 billion.

Examination activities contribute to the Federal Reserve's ability to understand the safety and soundness of each institution and assess the firm's compliance with applicable laws and regulations, including those related to consumer protection. We anticipate that examination activities, including full scope examinations, will be conducted offsite until conditions improve to facilitate on-site examinations.

The Federal Reserve recognizes that the current situation is significantly affecting institutions and communities in different ways, through no fault of their own, and will work with financial institutions to understand the specific issues they are facing. Financial institutions supervised by the Federal Reserve should work directly with their Reserve Bank and state banking agencies, as applicable, if they have questions on planned supervisory activities.

¹ This statement applies to all institutions supervised by the Federal Reserve, including state member banks, bank holding companies, savings and loan holding companies, Edge Act Corporations, and the U.S. operations of foreign banking organizations.