
**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision**

Joint Interagency Statement
September 14, 2001

Market responses in the aftermath of the tragic events of September 11 could lead to temporary balance sheet growth at some banking organizations, including thrifts. This growth could occur if, for example, during this period corporate borrowers make unusual draws on their existing lines of credit or request new lines in response to a perceived need for extra liquidity, or if a banking organization were to receive unusually large deposit inflows. Absent other factors, increases in extensions of credit or large deposit inflows would likely result in an increase in total assets.

Banking organizations should prepare for the possible effects on their balance sheets that may occur due to significantly increased lending or deposit inflows. Some organizations that experience significant asset growth may also experience a temporary decline in their regulatory capital ratios as a result of responding to customers' needs over this period. If an organization believes such a situation could arise, management is urged to contact its primary supervisor to discuss how to address it in light of the institution's overall financial condition.

Any questions on this statement should be directed to the banking organization's primary supervisor.