NCUA LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke Street, Alexandria, VA 22314

DATE: **February 2006** **LETTER NO.: 06-CU-01**

TO: **Federally Insured Credit Unions**

SUBJ: **Interagency Supervisory Guidance For Institutions Affected By Hurricane Katrina**

ENCL: **Supervisory Letter – Interagency Supervisory Guidance For Institutions Affected By Hurricane Katrina**

Dear Board of Directors:

The purpose of this Letter is to provide all Federally Insured Credit Unions with the same guidance given to NCUA field staff concerning examinations of credit unions affected by Hurricane Katrina. The attached Supervisory Letter was issued to NCUA field staff in February 2006.

The guidance was produced jointly by the five federal financial institution regulators and the state supervisory authorities from Alabama, Louisiana, and Mississippi. The guidance outlines a consistent approach to supervisory practices related to institutions affected by Hurricane Katrina. It highlights to examiners the importance of flexibility in addressing issues and the critical need to accurately portray the financial and operating conditions of affected institutions. The format of the document follows the bank regulators' CAMELS rating system but is broad enough to apply equally well to NCUA's CAMEL rating system.

If you have any questions regarding the enclosed document, please contact your district examiner, regional office, or state supervisory authority.

Sincerely,

/s/

JoAnn M. Johnson
Chairman

Enclosure