



Federal Deposit Insurance Corporation
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Financial Institution Letter
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Winter 2008 Issue Now Available

Summary: The Winter 2008 issue of *Supervisory Insights* features articles of critical interest to examiners, bankers and supervisors: an overview of problems that can emerge from the use of different asset and liability liquidity sources; a discussion of the features and potential risks of reverse mortgages; an overview of the FDIC's methodology for examining for compliance with Section 5 of the Federal Trade Commission (FTC) Act; and a review of the changes enacted by the Financial Accounting Standards Board (FASB) that will affect accounting for business combinations. The publication is available at <http://www.fdic.gov/regulations/examinations/supervisory/insights/index.html>.

Distribution:

FDIC-Supervised Institutions

Suggested Routing:

Chief Executive Officer
Compliance Officer

Related Topics:

Liquidity and Liquidity Contingency Planning
Reverse Mortgages
Unfair and Deceptive Acts and Practices
Accounting for Business Combinations

Attachment:

None

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Note:

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Highlights:

- "The Changing Liquidity Landscape" highlights problems that can arise at community banks from the use of different asset and liability liquidity sources and discusses best practices for developing an effective liquidity contingency plan.
- "Reverse Mortgages: What Consumers and Lenders Should Know" describes features of reverse mortgages and provides an overview of potential safety-and-soundness and consumer compliance risks that should be addressed as part of a reverse mortgage loan program.
- "Unfair and Deceptive Acts and Practices: Recent FDIC Experience" analyzes examples of UDAP issues that were the subject of a recent FDIC examination-consultation process and shares the FDIC's methodology for performing the compliance analyses required under Section 5 of the FTC Act.
- "Accounting for Business Combinations" describes key changes enacted by the FASB that will affect accounting for business combinations occurring in fiscal years beginning on or after December 15, 2008.