



Revised Policy for Classifying Retail Credits

FIL-108-99
December 7, 1999

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: *Extended Implementation Period for the Uniform Retail Credit Classification and Account Management Policy*

The Federal Financial Institutions Examination Council (FFIEC), on behalf of the Federal banking agencies, has extended the implementation deadline for manual adjustments required in the "Uniform Retail Credit Classification and Account Management Policy" from June 30, 1999, to December 31, 2000.

The policy, first issued in 1980, guides the supervisory agencies in the classification of retail credit loans in financial institutions. Earlier this year, the FFIEC updated and expanded the policy (see FIL-17-99, dated February 19, 1999). The changes to the policy had two implementation dates. Manual adjustments to an institution's policies and procedures were required as of June 30, 1999. However, programming changes were required by December 31, 2000, so that resources for Year 2000 preparations would not be diverted.

In order to allow all institutions to meet the implementation deadlines within the same time period, including those that are not highly automated, the agencies are modifying the effective date.

The attached Federal Register notice extends the implementation date for all policy changes to the December 31, 2000, Call Report. Institutions that have already implemented manual changes to meet the revised guidelines may continue to use their revised policies and procedures, but are not required to do so.

For further information, please contact your Division of Supervision Regional Office or Examination Specialist James Leitner at (202) 898-6790.

James L. Sexton
Director

Attachment: November 23, 1999, Federal Register, Vol. 64, No. 225, pages 65712-65713
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