



## FEDERAL RESERVE BANK OF DALLAS

2200 N. PEARL ST.  
DALLAS, TX 75201-2272

September 28, 2005

**Notice 05-57**

**TO:** The Chief Executive Officer of each  
state member bank and bank holding company  
in the Eleventh Federal Reserve District

### SUBJECT

**Katrina-Related Marketing Practices Invoking  
the Name of the Federal Reserve**

### DETAILS

The Federal Reserve has become aware that certain firms, as a way of promoting their services to banking organizations, may be claiming that the Federal Reserve plans increased scrutiny of banking organizations' business continuity and disaster recovery plans in the wake of Hurricane Katrina. These promotional claims may target banking organizations in Alabama, Mississippi, and Louisiana, including organizations headquartered elsewhere that have operations in those states.

Banking organizations should be wary of marketing efforts that make claims or express beliefs regarding unannounced or unanticipated Federal Reserve supervisory plans or actions. If contemplating whether to engage the services of firms on the basis of such representations, a banking organization should contact the appropriate Federal Reserve Bank. The Federal Reserve does not endorse any private party, including any service provider or service providers generally. In addition, banking organizations may want to review the official policies of the Federal Reserve, which appear on the Federal Reserve Board's public web site at [www.federalreserve.gov/hurricanekatrina.htm](http://www.federalreserve.gov/hurricanekatrina.htm).

### ATTACHMENT

A copy of the Board's SR letter 05-17 dated September 27, 2005, is attached.

## **MORE INFORMATION**

For more information, please contact W. Arthur Tribble, Banking Supervision Department, (214) 922-6226. Previous Federal Reserve Bank notices are available on our web site at [www.dallasfed.org/banking/notices/index.html](http://www.dallasfed.org/banking/notices/index.html) or by contacting the Public Affairs Department at (214) 922-5254.



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON, D. C. 20551

DIVISION OF BANKING  
SUPERVISION AND  
REGULATION

**SR 05-17**  
**September 22, 2005**

TO THE OFFICER IN CHARGE OF SUPERVISION AND  
APPROPRIATE SUPERVISORY STAFF AT EACH FEDERAL  
RESERVE BANK AND BANKING ORGANIZATIONS  
SUPERVISED BY THE FEDERAL RESERVE

SUBJECT: Katrina Related Marketing Practices Invoking the Name of the Federal Reserve

It has come to the attention of the Federal Reserve that certain firms, as a way of promoting their services to banking organizations, may be claiming that the Federal Reserve plans increased scrutiny of banking organizations' business continuity and disaster recovery plans in the wake of Hurricane Katrina. These promotional claims may target banking organizations in Alabama, Mississippi, and Louisiana, including organizations headquartered elsewhere that have operations in those states. These promotional claims may also imply that the Federal Reserve will find deficiencies in the business continuity or disaster recovery plans of the targeted organizations or in the execution of such plans. Some of these promotions may even provide specific examples of deficiencies "likely" to be found by the Federal Reserve in these alleged "investigations."

Banking organizations supervised by the Federal Reserve can be assured that the Federal Reserve does not have any plans at this time to conduct special investigations of the business continuity and disaster recovery plans of banking organizations with offices in Alabama, Mississippi, and Louisiana as a result of Katrina. Business continuity and disaster recovery plans are routinely reviewed in the course of regularly scheduled safety and soundness examinations. The Federal Reserve does not anticipate any additional or more intensive reviews of these plans stemming from Katrina. Moreover, the expeditious resumption of business operations of banking organizations supervised by the Federal Reserve and operating in the Katrina-affected areas in the face of very extraordinary adverse conditions revealed that the business continuity and disaster recovery plans already in place were largely effective.

Banking organizations should be wary of marketing efforts that make claims or express beliefs regarding unannounced or unanticipated Federal Reserve supervisory plans or actions. If contemplating whether to engage the services of firms on the basis of such representations, a banking organization should contact the appropriate Federal Reserve Bank. The Federal Reserve does not endorse any private party, including any service provider or service providers generally. In addition, banking organizations may want to review the official policies of the Federal Reserve, which appear on the Federal Reserve Board's

public website at <http://www.federalreserve.gov/hurricanekatrina.htm>. The Federal Reserve has issued several policy statements in the wake of Hurricane Katrina. These statements, among other things, provide that the Federal Reserve expects to be flexible in developing supervisory responses to issues that may arise as a result of the very difficult environment in which organizations in the Katrina-affected areas have been operating. These policies are prominently displayed on the referenced website.

Reserve Banks are asked to provide a copy of this letter to the state member banks and bank holding companies in their districts and to appropriate supervision staff. For additional information, please contact Molly Wassom, Associate Director, Division of Banking Supervision and Regulation, (202) 452-2305.

Richard Spillenkothen  
Director

Cross References: SR letters [05-15](#) and SR [05-16](#)

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