



Federal Deposit Insurance Corporation  
550 17th Street NW, Washington, D.C.

Financial Institution Letter  
FIL-21-2010  
May 6, 2010

## REGULATORY RELIEF

### Guidance to Help Financial Institutions and Facilitate Recovery in Areas of Alabama Affected by Severe Storms, Tornadoes and Flooding

**Summary:** The FDIC has announced a series of steps intended to provide regulatory relief to financial institutions and facilitate recovery in areas of Alabama affected by severe storms, tornadoes, straight-line winds and flooding.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings) in Alabama

**Suggested Routing:**

Chief Executive Officer  
Compliance Officer  
Chief Lending Officer

**Related Topics:**

Lending  
Investments  
Publishing Requirements  
Consumer Laws

**Attachment:**

Supervisory Practices Regarding Depository Institutions and Borrowers Affected by Severe Storms, Tornadoes and Flooding in Areas of Alabama

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**Note:**

FDIC financial institution letters (FILs) may be accessed from the FDIC's Web site at [www.fdic.gov/news/news/financial/2010/index.html](http://www.fdic.gov/news/news/financial/2010/index.html).

To receive FILs electronically, please visit <http://www.fdic.gov/about/subscriptions/fil.html>.

Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 3501 Fairfax Drive, E-1002, Arlington, VA 22226 (1-877-275-3342 or 703-562-2200).

**Highlights:**

- Severe storms, tornadoes, straight-line winds and flooding that occurred on April 24 and 25, 2010, have caused significant property damage in areas of Alabama.
- Federal disasters were declared on May 3, 2010, for selected counties in Alabama.
- The FDIC is encouraging banks to work constructively with borrowers experiencing difficulties beyond their control because of damage caused by the severe weather.
- Extending repayment terms, restructuring existing loans, or easing terms for new loans, if done in a manner consistent with sound banking practices, can contribute to the health of the community and serve the long-term interests of the lending institution.
- The FDIC also will consider regulatory relief from certain filing and publishing requirements.