



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

Contact:

Assistant Regional Director Nikita Smith at (678) 916-2367 or NSmith@fdic.gov

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.

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.