



Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street NW, Washington, D.C.

Financial Institution Letter  
FIL-41-2010  
July 26, 2010

## REGULATORY RELIEF

### Guidance to Help Financial Institutions and Facilitate Recovery in Areas of Kentucky Affected by Severe Weather

**Summary:** The FDIC has announced a series of steps intended to provide regulatory relief to financial institutions and facilitate recovery in areas of Kentucky affected by severe storms, flooding and mudslides.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings)  
in Kentucky

**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  
Weather in Areas of Kentucky

**Contact:**

Assistant Regional Director John J. Poskonka at  
(312) 382-7520 or [jposkonka@fdic.gov](mailto:jposkonka@fdic.gov)

**Note:**

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[www.fdic.gov/news/news/financial/2010/index.html](http://www.fdic.gov/news/news/financial/2010/index.html).

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Information Center, 3501 Fairfax Drive, E-1002,  
Arlington, VA 22226 (1-877-275-3342 or 703-562-  
2200).

**Highlights:**

- Severe storms, flooding and mudslides, which began on July 17, 2010, and continue, have caused significant property damage in areas of Kentucky.
- A federal disaster was declared on July 23, 2010, for Pike County in Kentucky.
- 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.