

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

Financial Institution Letter FIL-45-2010 July 30, 2010

REGULATORY RELIEF

Guidance to Help Financial Institutions and Facilitate Recovery in Areas of South Dakota 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 South Dakota affected by severe storms, flooding and tornadoes.

Distribution:

FDIC-Supervised Banks (Commercial and Savings) in South Dakota

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 South Dakota

Contact:

Assistant Regional Director Daniel W. Holmgren at (816) 234-8134, or Dholmgren@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:

- From June 16 to 24, 2010, severe storms, flooding and tornadoes caused significant property damage in areas of South Dakota.
- A federal disaster was declared on July 29, 2010, for selected areas in South Dakota.
- 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.