



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, D.C. 20429-9990

**Financial Institution Letter**  
**FIL-56-2008**  
**June 24, 2008**

## **REGULATORY RELIEF**

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

**Summary:** The Federal Deposit Insurance Corporation (FDIC) has announced a series of steps intended to provide regulatory relief to financial institutions and to facilitate recovery in areas of Iowa affected by recent severe storms, tornadoes and flooding. This FIL updates FIL-49-2008, dated June 17, 2008.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings) in Iowa

**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 Iowa

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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/2008/index.html](http://www.fdic.gov/news/news/financial/2008/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 and flooding have caused significant property damage to a large portion of Iowa.
- As of June 20<sup>th</sup>, 65 counties in Iowa, encompassing most of the state, have now been declared federal disaster areas. Individuals and households in these counties may be eligible for federal assistance.
- The FDIC is encouraging financial institutions to work constructively with borrowers who are experiencing difficulties beyond their control because of damage caused by these disasters.
- 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 will also consider regulatory relief from certain filing and publishing requirements for banks in the affected areas.