



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

Financial Institution Letter
FIL-27-2008
March 31, 2008

REGULATORY RELIEF

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

Distribution:

FDIC-Supervised Banks (Commercial and Savings) in Arkansas

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 Arkansas

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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.

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 areas of Arkansas.
- In Arkansas, the following counties have been declared federal disaster areas: Baxter, Benton, Boone, Carroll, Clay, Conway, Craighead, Crawford, Faulkner, Franklin, Fulton, Green, Hot Spring, Howard, Independence, Izard, Jackson, Johnson, Lawrence, Logan, Madison, Marion, Nevada, Newton, Pope, Randolph, Scott, Searcy, Sharp, Stone, Van Buren, Washington, White, Woodruff, and Yell.
- 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.