



Regulatory Relief

FIL-107-2004
September 17, 2004

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: Steps to Help Rebuild Areas Affected by Recent Hurricanes and Severe Storms

Summary: *The Federal Deposit Insurance Corporation (FDIC) has announced a series of steps intended to facilitate the rebuilding process in areas damaged by the recent hurricanes and severe storms.*

Recent hurricanes, severe storms and associated flooding have caused deaths, injuries and property damage in the South, Mid-Atlantic and Ohio Valley. The Federal Deposit Insurance Corporation (FDIC) is encouraging banks to work constructively with borrowers who, because of the natural disasters, are experiencing difficulties beyond their control.

The FDIC has prepared the attached guidelines that state that 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 guidelines also address other types of regulatory relief.

For guidance on these and related matters, please contact your FDIC Regional Office. For your reference, FDIC financial institution letters may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2004/index.html.

Michael J. Zamorski
Director
Division of Supervision and Consumer
Protection

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Attachment

Distribution: All FDIC-Supervised Banks

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (1-877-275-3342 or (703) 562-2200).