



Regulatory Relief

FIL-22-97
March 19, 1997

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: *Steps to Help Rebuild Areas Affected by Flooding*

The Federal Deposit Insurance Corporation has announced a series of steps intended to facilitate the process of rebuilding the areas damaged by flooding in the Ohio River Basin.

As noted in the attached guidelines, the FDIC is encouraging state-chartered banks to work constructively with borrowers who are experiencing difficulties due to conditions beyond their control. The guidelines suggest that extending repayment terms, restructuring existing loans or easing terms for new loans, if done in a manner consistent with sound banking practices, can both 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 Division of Supervision Regional Office:

Chicago Regional Office (312) 382-7500 -- Illinois, Indiana, and Ohio

Memphis Regional Office (901) 685-1603 -- Kentucky and Tennessee

Atlanta Regional Office (404) 817-1300 -- West Virginia

Nicholas J. Ketcha Jr.
Director

[Attachment:](#) (below)

Distribution: FDIC-Supervised Banks (Commercial and Savings) in Illinois, Indiana, Kentucky, Ohio, Tennessee and West Virginia.

Note: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th St., NW, Room 100, Washington, D.C. 200434 ((703) 562-2200 or 800-276-6003)