



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, DC 20429

Division of Supervision

## Regulatory Relief

FIL-46-97  
May 5, 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 Minnesota, North Dakota, and South Dakota.

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 appropriate FDIC Division of Supervision regional office or the Kansas City Regional Office at (816) 234-8000.

Nicholas J. Ketcha Jr.  
Director

Attachment: (below)

Distribution: FDIC-Supervised Banks in Minnesota, North Dakota, and South Dakota

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