



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

Division of Supervision

REGULATORY RELIEF

FIL-100-2003
December 31, 2003

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: Steps to Help Rebuild Areas in California Affected by Major Earthquakes

Summary: *The Federal Deposit Insurance Corporation (FDIC) has announced steps to facilitate the rebuilding process in areas of California damaged by recent earthquakes.*

The recent earthquakes near San Simeon, California, have resulted in deaths, injuries and property damage. The FDIC is encouraging banks to work constructively with borrowers who, because of the damage from the earthquakes, are experiencing difficulties beyond their control. The FDIC has prepared the attached guidelines, which 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 Assistant Regional Director George J. Doerr in the FDIC's San Francisco Regional Office at (415) 808-8019.

For your reference, FDIC financial institution letters may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2003/index.html.

Michael J. Zamorski
Director

Attachment: [Supervisory Practices Regarding Depository Institutions and Borrowers Affected by Earthquake Damage in California](#)

Distribution: FDIC-Supervised Banks (Commercial and Savings) in California

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).