



REGULATORY RELIEF

FIL-32-2003
May 6, 2003

TO: CHIEF EXECUTIVE OFFICER
SUBJECT: Steps to Help Rebuild Areas Affected by Recent Tornadoes
Summary: *The Federal Deposit Insurance Corporation (FDIC) has announced a series of steps intended to facilitate the process of rebuilding in areas damaged by recent tornadoes.*

Recent tornadoes in the states of Kansas, Missouri and Tennessee have resulted in deaths, injuries and property damage. The FDIC is encouraging banks to work constructively with borrowers who, because of the tornadoes, 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 John R. Jilovec at (816) 234-8141 in the Kansas City Regional Office, or Assistant Regional Director Patricia A. Lenfert at (901) 821-5203 in the Memphis Area Office.

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

Michael J. Zamorski
Director

Attachment

Distribution: FDIC-Supervised Banks (Commercial and Savings)

Last Updated 4/12/2004

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