



RESCINDED

Office of Thrift Supervision
Department of the Treasury
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Any attachments to this document are rescinded only as they relate to national banks and federal savings associations.

October 26, 2005

MEMORANDUM FOR: CHIEF EXECUTIVE OFFICERS

FROM:

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SUBJECT:

Advisory on Hurricane Wilma

With the damage caused by Hurricane Wilma, OTS reminds you that you have discretion to decide whether to maintain or close business operations in the event of a natural disaster or other community emergency, including situations where an emergency is imminent. This is often a difficult decision in which you must weigh the interests of employee and customer safety against the customers' need for access to their deposit funds following an emergency situation.

Today's guidance highlights the flexibility you have when deciding how best to serve your customers. In addition, this guidance references OTS's disaster relief guidelines set forth in [Thrift Bulletin \(TB\) 71](#).

If your institution is in an area impacted by Hurricane Wilma, you should exercise the utmost care and caution to protect the personal safety of employees while continuing to assist customers in need. You should take reasonable steps to maintain operations prudently and to help meet customers' cash and financial needs in connection with hurricane recovery efforts.

You should consider reasonable steps to assess the ultimate impact of Hurricane Wilma; effective communication will allay customer fears and concerns while also protecting the personal safety of employees and customers. If your institution is affected, OTS will assist you to ensure an effective communication and business continuity strategy.

OTS examiners will give due consideration to modifications to existing loans in areas impacted by the damage from Hurricane Wilma. Depository institutions may use non-documentary verification methods for affected customers that are unable to provide standard identification documents, as permitted, under the Customer Identification Program requirements of the Bank Secrecy Act. Depository institutions in the affected area, or dealing with new customers from the affected area, may amend Customer

Identification Programs immediately and obtain board approval for program changes as soon as practicable.

OTS also encourages all thrifts operating in or extending services near hurricane-damaged areas to work with customers and affected communities by considering:

- Temporarily waiving ATM fees for customers and non-customers;
- Easing restrictions on cashing out-of-state and non-customer checks;
- Temporarily waiving overdraft fees, late payment charges, and early withdrawal of savings penalties as a result of paycheck interruption;
- Allowing loan customers to defer or skip some payments;
- Offering prudent loans to help rebuild damaged property after assessing the current community credit needs;
- Expediting lending decisions when possible, consistent with safety and soundness principles;
- Restructuring borrowers' debt obligations, where appropriate, by altering or adjusting payment terms;
- Delaying delinquency notices to the credit bureaus;
- State and federal guarantees and other means to help mitigate excessive credit risks; and
- All available programs offered by the Federal Home Loan Banks.

To facilitate rebuilding efforts in the areas affected by the hurricane, while maintaining standards of safety and soundness, OTS will:

- Consider granting emergency exceptions to applicable appraisal standards;
- Take into account an institution's disaster relief efforts when evaluating the institution's CRA performance;
- Consider granting extensions of time for submissions of regulatory filing requirements;
- Work with institutions that experience sudden growth due to temporary deposits of insurance proceeds;
- Allow reasonable loan documentation deficiencies necessitated by thrift office relocation or personnel shortages during the period of recovery efforts;
- Temporarily waive the Qualified Thrift Lender requirements for institutions meeting their capital requirements in order to help rebuild businesses; and
- Consider accelerating procedures to approve temporary facilities so thrifts with destroyed or severely damaged facilities will be able to continue to serve their customers and communities.

OTS believes these measures will help borrowers affected by the hurricane recover their financial strength and place them in a better position to meet their financial obligations. These efforts will help stabilize affected communities and ensure the continued stability of thrift institutions involved in the recovery areas.

Thrifts requiring assistance in dealing with customers in areas affected by Hurricane Wilma should contact their regional OTS office. Additional information for consumers and bankers may be found on OTS's Hurricane Response webpage (<http://www.ots.treas.gov/Hurricane>). Information on OTS's disaster relief guidelines may be found in OTS Thrift Bulletin 71, *Serving Communities Affected by Natural Disasters*, available on the OTS web site at <http://www.ots.treas.gov/docs/8/84058.pdf>.