

# Quarterly Newsletter

Division of Depositor & Consumer Protection



VOLUME 8, Issue 1

March 31, 2020

## In This Issue:

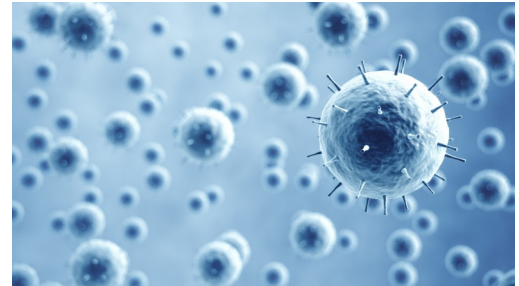
- COVID-19 Guidance Update



CHICAGO REGION

## COVID-19 Guidance Update

The FDIC recognizes the potential for the Coronavirus Disease 2019 (referred to as COVID-19) to adversely affect the customers and operations of financial institutions. To assist financial institutions and their customers, the FDIC has provided the following guidance and resources:



### **FDIC's COVID-19 Webpage and Updates**

The FDIC launched a [COVID-19 webpage](#) on its public website. A few of the items included on this webpage are highlighted below. We encourage you to regularly check the webpage for updates.

The FDIC recognizes that institutions may have operational or staffing challenges associated with the pandemic that limit the ability of management to respond to normal supervisory requests. Institutions faced with these challenges should contact their Examiner-in-Charge or Regional Director to coordinate the timing of any response so it does not inhibit critical operations at the institution at this difficult time. Refer to [FIL-29-2020](#) for the latest updates.

### **Frequently Asked Questions for Financial Institutions and Consumers Affected by COVID-19**

The FDIC developed two sets of frequently asked questions (FAQs), [one for financial institutions](#) and [one for their customers](#). The FAQs address a variety of issues that may arise as financial institutions work with customers and communities affected by COVID-19. The FDIC will continue to add FAQs to the initial list, as needed, to address additional questions and issues that arise.

### **Encouraging Responsible Small-Dollar Lending**

Five federal financial regulatory agencies issued a [Joint Statement](#) encouraging financial

institutions to offer responsible small-dollar loans to both consumers and small businesses in response to COVID-19. The agencies recognize the important role that responsibly offered small-dollar loans can play in helping customers meet their needs for credit due to temporary cash-flow imbalances, unexpected expenses, or income short-falls during periods of economic stress or disaster recoveries.

### **Working with Customers**

As announced in [FIL-17-2020](#), *Working with Customers Affected by the Coronavirus*, the FDIC encourages financial institutions to take prudent steps to assist customers and communities affected by COVID-19. The FDIC recognizes that efforts to work with customers and communities affected by COVID-19 can be accomplished in a manner that is consistent with safe and sound banking practices, compliant with applicable laws (including consumer protection laws), and in the public interest.

### **Community Reinvestment Act (CRA) Consideration for Activities in Response to the COVID-19**

The FDIC, Federal Reserve Board, and Office of the Comptroller of the Currency issued a Joint Statement on CRA Consideration for Activities in Response to COVID-19 (refer to [FIL-19-2020](#)) encouraging financial institutions to work with customers and communities affected by COVID-19, particularly those that are low- and moderate-income. Pursuant

[Continued on Next Page](#)



to the CRA, the agencies will provide favorable consideration of certain retail banking services, retail lending activities, and community development activities related to this national emergency.

### **Skip-a-Payment Programs - Mitigating Potential Risks**

If a bank is considering implementing a program for loan customers to skip payments as part of efforts in assisting customers impacted by COVID-19, please review the examples of strategies the FDIC has observed financial institutions taking to mitigate the potential risks. An article on this topic can be found on Page 5 of the [FDIC's Consumer Compliance Supervisory Highlights publication issued in June 2019](#).

### **Deposits**

Please advise your customers that since 1933, no depositor has ever lost a penny of FDIC-insured funds. They should keep in mind, the safest place for their money is inside an FDIC-insured bank. The

FDIC has an excellent tool, the Electronic Deposit Insurance Estimator or EDIE, for use in answering deposit insurance coverage questions. This tool allows a depositor to input either actual information about their deposit accounts or information about accounts they are thinking of establishing. EDIE is on the FDIC website at <https://edie.fdic.gov/index.html>. As a secondary source, FDIC also has a team of subject matter experts available to answer questions about deposit insurance or accessing bank accounts. Customers can call 1-877-ASK-FDIC (1-877-275-3342) and ask to speak to a subject matter expert between 8:30AM- 5:00PM Monday-Friday.

If they prefer, consumers can also contact the FDIC in writing through our FDIC Deposit Insurance Form via the FDIC Information and Support Center at: <https://ask.fdic.gov/fdicinformationandsupportcenter/s/>.

### **Using Secure Email for FDIC Correspondence**

As announced in [FIL-27-2020](#), *Temporary Alternative Procedures for Sending Supervision-Related Mail and Email to the FDIC*, institutions may send materials to the FDIC in a safe and secure manner using FDIC's Secure Email portal. Secure Email is not intended to replace informal communication with your case managers, review examiners, field managers, or our examination team. This process is provided as an alternative to sending hard copy documents. To use this process, you will need to register at <https://securemail.fdic.gov>. Information about how to use Secure Email and FAQs about the service can be found here: [FDIC Secure Email Procedures for External Users](#).

As the situation surrounding COVID-19 continues to evolve, we want to assure you that the FDIC is here to support you. Please reach out to your local Regional or Field Office for assistance as needed.

## **Newsletter Disclaimer**

*This newsletter does not purport to authoritatively interpret current federal statutes, regulations, orders or other federal authority, nor does it bind the FDIC or any other federal agency or entity with regard to the information presented. In addition, the application and impact of laws can vary widely based on the specific facts involved; and the information contained in this newsletter may have become outdated, superseded, or may have been revised, modified, revoked or suspended. Articles may not be reprinted or abstracted.*