



State of New Hampshire

Banking Department

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TO: New Hampshire Chartered Banks, Credit Unions, and Trust Companies

FROM: Bank Commissioner Jerry Little

RE: Responding to Impacts of the Novel Coronavirus 2019 (COVID-19)

The New Hampshire Banking Department encourages banks, credit unions, and trust companies to work constructively with New Hampshire consumers who may experience difficulties beyond their control due to economic disruptions caused by the Novel Coronavirus 2019 (COVID-19) (hereinafter "Coronavirus").

Similar to major natural disasters that suddenly interrupt the income streams of families in a geographic area, the Coronavirus may disrupt the income streams of New Hampshire consumers when individuals are quarantined for medical reasons. In addition, some employers may be unable to maintain operations temporarily due to Coronavirus-related supply chain interruptions. Like natural disasters, these scenarios are generally outside of anyone's control and their impacts are expected to ease in a reasonable amount of time.

Please consider the programs you might deploy to help consumers during a natural disaster and tailor those programs to fit with the circumstances surrounding the economic disruptions caused by the Coronavirus. Working with consumers, if done prudently and lawfully, can contribute to the health of the local community and will serve the long-term interests of the financial institution.

Consumers who are not quarantined or otherwise directly impacted by the Coronavirus may still be impacted by related economic disruption. For instance, homebuyers applying for a mortgage in New Hampshire could find their application delayed by third-party vendors in other areas of the country that are more significantly impacted by the Coronavirus.

It is vitally important that consumers contact their financial institutions as soon as possible to notify them if a Coronavirus-related quarantine or related disruption impedes their ability to make anticipated loan payments or otherwise fulfill financial obligations. Financial institutions are encouraged to be proactive and facilitate open lines of communication with their consumers. Early notification will enable financial institutions and consumers to discuss ways they can work through this event together.

Additionally, the Department is providing the following guidance which may assist you in responding to any challenges presented by the Coronavirus pandemic.

Branch Closings/Reduction of Branch Hours

- Banks or credit unions are authorized to use only the drive through portion of a branch without requesting approval for a branch closure under RSA 383-A:8-801.
- Similarly, a bank or credit union may adjust the normal business hours of any of its branches without the approval of the Bank Commissioner if such adjustments are necessary due to staff shortages or other impacts resulting from the Coronavirus pandemic.
- Pursuant to RSA 383-A:8-801(c), if a bank or credit union decides to close a branch for more than 48 hours due to the Coronavirus pandemic, information concerning the closure must be submitted to the Department in an application and the Department will act quickly to authorize such closure. No submission is needed if the branch is closed for less than 48 hours (not including legal holidays, or other days the branch is not otherwise scheduled to be open).
- If a bank or credit union adjusts its branch hours, closes a branch, or limits access in any branch to drive through services only, it must ensure its customers and members are aware of any such changes.

Credit Union Annual Meetings

- Pursuant to RSA 383-E:7-701, the annual meeting of a credit union must be held within 120 days after the close of its fiscal year, and as directed in the credit union's bylaws. Credit unions should review their bylaws and consider the most appropriate date to set the annual meeting, consistent with the advice of public health officials. If necessary, credit unions should consider whether annual meetings should be conducted via teleconference or videoconferencing rather than an in-person meeting.

Examinations and Consumer Complaints

- In accordance with RSA 383:9-d, the commencement of an examination may be delayed due to business disruptions or other significant developments resulting from the Coronavirus pandemic. Please review the statutory standards in RSA 383:9-d, III and contact the Department immediately if your institution seeks to adjust the schedule for an upcoming examination.
- Similarly, in accordance with RSA 383-A:9-904, II an institution may request additional time to respond to consumer complaints. Please review the requirements for requesting an extension for extenuating circumstances.

Liquidity

- Institutions are asked to closely monitor liquidity levels in the event of higher than normal consumer cash withdrawals at branch locations/ATMs. Institutions should ensure all sources of liquidity are readily available should the need arise.

Finally, we ask that you please notify the Department as soon as possible regarding business disruptions or other developments that have a significant impact on your institution resulting from the effects of the Coronavirus pandemic, to include any signs of erosion in consumer confidence. Your assistance in reporting these concerns will help us work with your institution to address any problems that arise as quickly as possible.

Thank you to the industry organizations who assisted in the distribution of this message. Please address any communications discussed above to the New Hampshire Bank Commissioner, at 53 Regional Drive, Suite 201, Concord, NH 03301 or via email to nhbd@banking.nh.gov