



## Special Edition – COVID-19

### What is Sheshunoff Consulting + Solutions Doing?

During the first quarter of 2020, Sheshunoff has received and responded to a variety of questions related to **preparedness for COVID-19**. The questions range from inquiries regarding ways in which an institution can assist their customers or members during the pandemic to steps that should be taken to mitigate information security risks with the increased number of employees working from home.

Another thing we are doing is researching specific examples of ways in which an institution may work towards meeting the needs of their customers during the pandemic. These scenarios have been researched and guidance has been compiled on the following topics:

- **Guidance on Waiving CD Penalties and Fees**
- **Guidance for Modifications and Deferred Payments**
- **Guidance for Skip a Payment Programs**
- **Guidance for Considering Changes to Your Overdraft Program**

Online Compliance Consulting clients may find these guidance documents in the **Knowledge Base**, within a new **Pandemic Resources** folder. Other Sheshunoff clients may request a copy by sending an email to [rcoggins@smslp.com](mailto:rcoggins@smslp.com).



Also, our partners at **HRWebAdvisor** are offering a **FREE** webinar – **COVID-19 And The Workplace: Everything You Need To Know**.

You may access this webinar [here](#).

### What are the Agencies & Other Industry Stakeholders Doing?

While we are faced with so many new challenges in our current environment, the agencies have provided various issuances that address the impact of COVID-19 that provide support, information, and guidance.

### Online Compliance Consulting Update!

The Online Compliance Consulting Dashboard has been enhanced!

- Updated Flood Insurance Calculator
- NEW CRA Community Development Checklists
- NEW Pandemic Resources Knowledge Base Folder
- NEW FDICPA FAQs
- NEW Be Prepared! 1Q Webinar Recording & Slide Deck
- Updated Compliance Calendar
- February 2020 News

To access this information and all other compliance features, go to:

<http://compliance.smslp.com/>

## Interagency Issuances

On March 22, 2020, the **FDIC, FRB, OCC, NCUA, state banking regulators, and the CFPB** issued the “**Interagency Statement on Loan Modifications and Reporting by Financial Institutions Working with Customers Affected by the Coronavirus.**” The issuance is intended to encourage financial institutions to work constructively with borrowers impacted by COVID-19 and provide additional information regarding loan modifications. Interested persons may find the issuance [here](#).

On March 19, 2020, the **FDIC, FRB, and OCC** issued a statement recognizing the potential COVID-19 has for adversely impacting the operations of institutions as well as customers. Consistent with prior issuances, the agencies encourage institutions to **work with affected customers and communities, especially those that are low- and moderate-income.** This statement is focused on **CRA consideration** for activities in response to COVID-19. The issuance includes information on working with customers; as well as a list of activities for consideration, such as waiving certain fees; easing restrictions on cashing certain checks; increasing credit limits for creditworthy borrowers; and offering payment accommodations. The issuance also addresses community development activities. Interested persons may find the issuance [here](#).

### FDIC

On March 19, 2020, the FDIC issued **FIL-18-2020**. In this letter, the FDIC acknowledged that institutions and consumers have many questions about the impact of COVID-19. To address these questions, the FDIC issued two sets of **FAQs**, one for institutions and one for consumers. As noted therein, they will continue to add FAQs to the lists, as issues continue to arise. Interested persons may find the issuance [here](#).

The **FDIC’s COVID-19 webpage** may be found [here](#).

### FRB

On March 23, 2020, the FRB announced a **technical change to support the U.S. economy** and allow banks to continue lending to creditworthy households and businesses. In connection with this an interim final rule addresses automatic restrictions associated with a firm’s “**total loss absorbing capacity**” (TLAC), buffer requirements. Interested persons may find the issuance [here](#).

The **FRB’s COVID-19 webpage** may be found [here](#).

### NCUA

On March 19, 2020, the NCUA released a statement to remind credit union members of the **safety of their deposits** in federally insured credit unions. Deposits at federally insured credit unions are protected by the National Credit Union Share Insurance Fund, which provides up to at least \$250,000 per individual depositor. The statement also focused on individuals, to remain vigilant against **COVID-19-related scams**, such as tricking victims to reveal sensitive information or donating to fraudulent charities. Interested persons may find the issuance [here](#).

Also in March, 2020, the NCUA issued **Letter No: 20-CU-02**. In this letter, the NCUA acknowledged that credit unions and their members will be **impacted by COVID-19**. The letter addresses how credit unions can continue assisting their members in times of need. They have also included a list of efforts to assist members, such as increasing ATM withdrawal limits, waiving overdraft fees,

## Calendar Reminders

- **4/1** – CRA Public File Update
- **4/6** – FinCEN Admin. Ruling for DBA CTRs – discrete filers
- **4/30** – Quarterly HMDA LAR Update Deadline
- **5/30** – Quarterly HMDA LAR Submission Deadline for Certain Reporters
- **6/24** – Quarterly Be Prepared! Webinar



Mark your calendar for our next **Be Prepared!** Compliance Update webinar. It is scheduled for **June 24, 2020**.

When available, details may be found on BankersWeb, [here](#).

expanding payday alternative loan programs, and increasing credit card limits. Interested persons may find the issuance [here](#).

The NCUA's COVID-19 webpage may be found [here](#).

## OCC

On March 13, 2020, the OCC issued **Bulletin 2020-15**. The bulletin focuses on **pandemic planning and working with customers affected by COVID-19**. As noted therein, the OCC encourages banks to take steps to meet the financial service needs of customers adversely impacted by COVID-19. The bulletin includes a list of how banks can work with their customers, consistent with safe and sound banking practices and applicable laws. Interested persons may find it [here](#).

Recently, the OCC has added a "**Frequently Asked Questions Regarding COVID-10**" section to their website. The webpage contains a variety of Q&As from the OCC and other federal agencies. As noted, it will be updated as needed. Interested persons may find the webpage [here](#).

## CFPB

The CFPB's COVID-19 webpage may be found [here](#).

## *Fannie Mae and Freddie Mac*

**Fannie Mae and Freddie Mac** have each issued guidance related to their approach to **COVID-19**. Related to such efforts, the **Federal Housing Finance Agency (FHFA)** directed Fannie and Freddie to provide **alternatives for appraisal and employment verifications**.

The appraisal alternative is provided to reduce the need for appraisers to inspect the interior of a home for eligible mortgages. The employment verification alternatives address situations where a lender cannot obtain verbal verification of the borrower's employment before closing. The alternatives could include obtaining verifications via email, as well as using recent paystubs or bank statements that reflect recent payroll deposits. Institutions should review applicable guidance from Fannie and Freddie in moving forward.

**Of note, if your costs change as a result of using an alternative, institutions should ensure that any hardcoded fees are updated to accurately reflect actual costs.**

The FHFA news release can be found [here](#).

Fannie Mae's COVID-19 webpage may be found [here](#).

Freddie Mac's COVID-19 webpage may be found [here](#).

## FBI

The FBI has also issued a statement related to COVID-19, as they see a rise in **fraud schemes related to the pandemic**. Interested persons may find the FBI's issuance [here](#).

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## Convenient and Affordable Compliance Assistance

Do you need help preparing for the upcoming regulatory requirements? SC+S can help with our Online Compliance Consulting services, which combines the ease of online tools with the guidance of a compliance expert.

You will have access to an online compliance expert who will:

- Answer all of your compliance questions;
- Review your new policies and disclosures for compliance; and
- Train your Board of Directors on upcoming regulatory requirements.

You will also receive access to our online tools, including:

- Our Compliance Calendar;
- Our Dashboard Feature and Progress List, that enables you to determine what steps you will need to take to comply with the requirements and track your progress as you implement them;
- Our exclusive Knowledge Base of compliance Q&As; and
- FREE access to our quarterly Be Prepared! webinar series.

**For more information or a free demo, contact Rhonda Coggins at 512-703-1509.**

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## Contact Us

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