



NEVADA BANKERS ASSOCIATION

INVESTING IN NEVADA TOGETHER

Nevada Banks Prepared for Pandemic, Ready to Assist Customers

As COVID-19 outbreaks spread, banks of all sizes have worked to ready relief plans and customize their responses based on the specific threats of COVID-19 and potential financial impacts for consumers and small businesses in their markets. Pandemic planning is a critical part of every bank's risk management strategy. Continuity plans are developed and are subject to regulatory oversight by state and federal authorities. These plans are a documented strategy scalable to the stages of a pandemic outbreak and a comprehensive framework to ensure the continuance of critical operations.¹

We recognize a bank is only as strong as the community it serves. Our industry understands the sacrifices we each will be asked to make to help curb the spread of the virus in our communities. We stand ready to support customers facing difficulties, to support the continuance of daily operations in support of community financial needs and to work to ensure the health and well-being of bank employees.

Without a doubt, banks are preparing to respond to and assist impacted customers and banks appreciate regulators allowing them increased flexibility to do so. Banks are prepared to implement customer assistance steps and hardship programs such as: waiving certain fees, increasing credit lines, offering interest free loans, implementing forbearance program, halting collections for some credit card customers and more.

Most importantly, banks are prepared to work with customers on an individual basis: case by case, person by person, which is how Nevada's banks can be most successful in providing the most meaningful help and assistance to their customers and communities. We encourage all impacted bank customers to check for posted programs on their bank's websites, ask their banker about programs and be open and early in sharing any specific financial stress you are personally experiencing. These open and early conversations will allow your bank to partner with you on an early solution.

Nevada Banks Association and our members are in ongoing conversations with state and federal regulators and agencies. Our members are monitoring federal assistance programs as they become available. To date there are additional SBA 7 funds available, a new direct lending program from SBA and a temporary waiver on student loan repayments.

Banks are participating in efforts to ensure their branches remain open to communities and to curb any potential spread of the virus through their customer-facing operations. Bank branch closures are federally regulated. Only an emergency would warrant an unannounced closure. As an example, should a branch learn a recent in branch customer tested positive for COVID-19, the branch may close to implement remedial cleaning. Banks have increased cleaning of facilities and disinfecting of surfaces; they are encouraging customers to use drive through or online banking and providing special assistance for customers wishing to enroll in online banking; canceling the hosting or participation in non-essential gatherings; restricting travel. Many branches are also beginning to provide gloves to tellers for the handling of cash and quarantining incoming cash for 7-10 days prior to recirculating the bills.

Banks in our state employ some 4,000 Nevadans and their safety and wellness are paramount. Enhanced cleaning and aggressive hygiene practices will help keep employees safe. Additionally, banks are allowing work from home scenarios for employees when possible or appropriate, and offering their employees paid time off and sick pay.

Nevada's banks are prepared to do their role in helping curtail the spread of COVID-19 throughout communities. Their pandemic and continuance plans make them resilient in the face of potential disruptions and armed with custom with scalable responses to meaningfully assist customers who may be impacted.

Customers may also rest assured there is no threat to our nation or state's financial banking system. Our banks are stable. Today banks have generally good credit quality and capital levels and are well-positioned to weather the stress and potential financial calamity that may result from a COVID-19 outbreak.²

About Nevada Bankers Association

Nevada Bankers Association is the united voice of Nevada's diverse banking industry: our members are dedicated to providing the best financial products, services and resources to drive and support economic growth, job creation and prosperity throughout the state of Nevada. www.nvbankers.org | nba@nvbankers.org | 702-233-8607

¹ In 2007 more than 2,700 U.S. financial services organizations participated in a 3-simulation of a severe global pandemic flu. The scenario posed a realistic picture of the possible systemic risks to the sector and its dependencies on other critical infrastructures. The findings of this exercise had significant impact on how the financial services sector prepared and developed response plans ready for use today.

² "Of course banks will lose money, potentially in excess of \$400 billion, according to the Fed's calculations. But those types of losses, an extreme prospect the Fed dubs a "severely adverse scenario," would still leave firms with capital to survive." *Why Banks Are Likely To Help America Recover From The Fallout Of The Coronavirus Pandemic*
Antoine Gara , Forbes