



DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

FBIIC Issues Analysis of the Impact of the Recent Major Power Blackout and Hurricane Isabel on the Financial Sector

The Financial and Banking Information Infrastructure Committee (FBIIC) today released its analysis of the impact on the financial sector of the recent major power blackout and Hurricane Isabel, concluding that the financial services sector performed well during these two events.

“As a result of vigilance and careful contingency preparation by the financial services sector, and perhaps most importantly, by a reliance upon people who know their job best to do their job, we are pleased to report that these recent events caused minimal disruption to financial services, demonstrating once again the resilience of the U.S. financial system,” said Treasury Assistant Secretary for Financial Institutions Wayne A. Abernathy, who today testified on this issue before the House Financial Services Committee on Oversight and Investigations. Abernathy represents the Secretary of the Treasury as Chairman of the FBIIC.

The analysis showed that during the power outage, key financial markets, depository institutions, and retail/wholesale payment systems were able to rely upon their business continuity plans, back-up power sources and redundant systems to complete daily business and continue offering services. During Hurricane Isabel, analysis showed that the financial services sector in affected areas was able to invoke contingency plans, which worked as planned.

The FBIIC, which is chartered under the President’s Working Group on Financial Markets and chaired by the Department of the Treasury, is an interagency committee charged with improving coordination and communication among government financial agencies to promote the resilience of the financial services sector, facilitating the activities of the private sector enterprises that own and operate the majority of the financial services sector elements.

The FBIIC is comprised of the following entities: the Department of the Treasury, the Commodity Futures Trading Commission, the Conference of State Bank Supervisors, the Farm Credit Administration, the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, the Federal Reserve Bank of New York, the Federal Reserve Board of Governors, the Homeland Security Council, the National Association of Insurance Commissioners, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Office of

Federal Housing Enterprise Oversight, the Office of Thrift Supervision, the Securities and Exchange Commission, and the Securities Investor Protection Corporation.