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OCC Encourages National Banks to Work with Customers
Affected By Disaster Conditions in Vermont and Ohio

WASHINGTON, D.C. -- The Office of the Comptroller of the Currency (OCC) has outlined measures to assist areas affected by flooding in Vermont and flooding and tornadoes in Ohio. The OCC regulates national banks.

The OCC recognizes that the effects of natural disasters on individuals and businesses are often temporary, and that prudent efforts to adjust or alter terms on existing loans in areas affected by the disasters and related problems should not be subject to bank examiner criticism.

The OCC encourages national banks to consider various alternatives that may include:

- extending the terms of loan repayments;
- restructuring a borrower's debt obligations; and,
- easing loan documentation or credit terms for new loans to certain borrowers, consistent with prudent banking practice.

The OCC notes that these measures could help borrowers recover their financial strength and enable them to be in a better position to repay their debts. These recovery efforts can contribute to the health of the local community and the long-term interests of the national bank.

It is OCC policy for examiners not to criticize prudent efforts by national banks to adjust or alter loan repayment terms or extend new loans to borrowers affected by a natural disaster.

National banks in need of assistance in dealing with customers affected by storms and related disaster conditions should contact the OCC office nearest to them. Telephone numbers can be found at www.occ.treas.gov/org.htm.

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The OCC charters, regulates and examines approximately 2,600 national banks and 66 federal branches and agencies of foreign banks in the United States, accounting for 58 percent of the nation's banking assets. Its mission is to ensure a safe, sound and competitive national banking system that supports the citizens, communities and economy of the United States.