



NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

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OCC Encourages National Banks to Work With Customers Affected by Terrorist Attacks

WASHINGTON --The Office of the Comptroller of the Currency (OCC) is encouraging national banks to work with customers affected by Tuesday's terrorist attacks in New York and Washington.

The OCC recognizes that Tuesday's events may temporarily affect the orderly conduct of lending relationships with both individuals and businesses. As a result, banks are encouraged to exercise prudent efforts to make credit available and to adjust or alter terms on existing loans for customers affected by this disaster and related problems. Such prudent efforts to work with borrowers 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 credit terms for new loans to certain borrowers, consistent with prudent banking practice.

In particular, national banks that rely heavily on mail service for customer billing and loan payments may experience a temporary slowdown of mail delivery as a result of the initial cessation and possible near-term limitation of U.S. commercial airline traffic. As a result, customers may not be billed on a timely basis, and customer payments may be delayed in the mail. OCC strongly encourages lenders, such as credit card issuers and mortgage servicers, to provide additional time or grace periods before assessing late fees or initiating default or penalty pricing.

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

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to the health of the local community and the long-term interests of the national bank and its customers.

In addition, the OCC has authorized national banks to close offices affected by this national disaster and stands ready to authorize national banks to open temporary branches as may be needed.

National banks in need of assistance in dealing with customers affected by this disaster should contact their local supervisory office.

OCC Bulletin 98-34 encourages national banks to work with borrowers in communities affected by man-made or natural disasters.

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The OCC charters, regulates and examines approximately 2,200 national banks and 52 federal branches and agencies of foreign banks in the United States, accounting for 54 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.