

LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke Street, Alexandria, VA 22314

DATE: May 1999 **LETTER NO.:** 99-CU-08
TO: Federally Insured Credit Unions
SUBJ: Year 2000 (Y2K) Checklist For Customers

The NCUA, and other Federal Financial Institutions Examination Counsel (FFIEC) Regulatory Agencies¹, have developed the enclosed Y2K Checklist for Customers to help them prepare for the century date change.

In short, the Y2K Checklist recommends credit union members consider the following suggestions:

- ✓ Find out what their particular credit union is doing to address consumer concerns about Y2K;
- ✓ Keep good records of financial transactions, especially for the last few months of 1999, and until several statements are received in the Year 2000;
- ✓ Check transaction receipts and save them to compare against statements;
- ✓ Identify all payment options available (checks, credit cards, debit cards, ATMs, and tellers) in the event one payment option doesn't work as planned; and
- ✓ Remember the federal government's protection of insured deposits will **not** be affected by the Year 2000.

I want to encourage all federally insured credit unions to make this checklist available to members as part of your Member Awareness Campaign for the Year 2000.

¹ The FFIEC consists of the Federal Deposit Insurance Corporation (FDIC), Board of Governors of the Federal Reserve System (FRB), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS).

Procedures for Obtaining Copies of the Checklist:

Enclosed Checklist

- Credit unions may make copies of the enclosed Y2K Checklist for Customers to distribute to their members. NCUA does not intend to distribute mass copies of the brochure to credit unions.

Obtaining an Electronic Copy of the Checklist

- Credit unions may also download the Y2K Checklist for Customers from the NCUA's Internet website, and mass produce copies of the checklist, providing no changes are made to its contents, language or otherwise. The brochure is located at: <http://www.ncua.gov/> (select Year 2000, Y2K Checklist for Customers).

The FFIEC Agencies issued a Joint Press Release on April 15, 1999, to announce the Y2K Checklist for Customers. A copy of this Press Release can be downloaded from the *Year 2000 Issues* section of our Internet website.

If you have any questions, please contact your examiner, NCUA regional office, or state supervisory authority, in the case of state chartered credit unions.

Sincerely,

/s/

Norman E. D'Amours
Chairman, NCUA Board

Enclosure

A Y2K Checklist for Customers

From the smallest to the largest, federally insured financial institutions have been working hard to make sure their computer systems will operate smoothly in the Year 2000 (Y2K). In addition, federal and state regulators are closely monitoring the progress of institutions they supervise to make sure Y2K issues are being addressed. Despite the best efforts of the industry and the regulators, no one can guarantee that everything will work perfectly. That's why financial institution customers may want to consider taking steps in anticipation of the date change. You can refer to the following checklist to prepare yourself for Y2K.

- Educate Yourself About Y2K** Find out what **your** financial institution is doing to address consumer concerns. If you have questions, speak with a representative who knows about the institution's Y2K program.
- Keep Copies of Financial Records** As always, keep good records of your financial transactions, especially for the last few months of 1999 and until you get several statements in 2000.
- Pay Attention to Your Finances** As always, balance your checkbook regularly. When you receive a transaction receipt from your institution, check it for accuracy and save it to compare against your statement. It's also smart to review your credit report to make sure it doesn't contain inaccurate information.
- Make Prudent Preparations** Remember all your payment options (checks, credit cards, debit cards, ATMs and tellers) in the event that one doesn't work as planned. The Federal Reserve has plans to ensure that there will be sufficient cash available for consumers. If you withdraw money, make reasonable decisions based on solid information; don't put yourself at risk of being robbed or losing valuable interest payments.
- Be on Guard Against Y2K Scams** Be skeptical if someone asks for your account information or tries to sell you a product, service or investment that's supposedly Y2K "safe." Protect your personal information, including your bank account, credit card and Social Security numbers.
- Review Your Deposit Insurance Coverage** The federal government's protection of insured deposits will **not** be affected by Y2K. If you have more than \$100,000 in an insured bank, thrift or credit union, you may want to make sure you understand the insurance rules. Check with your financial institution or call the Federal Deposit Insurance Corporation at 1-800-934-FDIC (for banks and savings institutions) or the National Credit Union Administration at 703-518-6330 (for credit unions).



Federal Deposit Insurance Corporation ♦ Board of Governors of the Federal Reserve System ♦ National Credit Union Administration ♦ Office of the Comptroller of the Currency ♦ Office of Thrift Supervision

For more information about financial institutions' Y2K readiness, customers may contact:

State-chartered banks that are not members of the Federal Reserve System are supervised by:

Federal Deposit Insurance Corporation

(800) 934-3342

Internet: www.fdic.gov

Banks with state charters that belong to the Federal Reserve System are supervised by:

Board of Governors of the Federal Reserve System

(202) 452-3693

Internet: www.federalreserve.gov

Federal credit unions are supervised by:

National Credit Union Administration

(703) 518-6330

Internet: www.ncua.gov

National banks are supervised by:

Office of the Comptroller of the Currency

(800) 613-6743

Internet: www.occ.treas.gov

State and federally chartered savings associations are supervised by:

Office of Thrift Supervision

(800) 842-6929

Internet: www.ots.treas.gov

For general information on Y2K, consumers may contact the President's Council on Year 2000 Conversion.

(888) USA-4-Y2K or (888) 872-4925

Internet: www.Y2K.gov

You can obtain a free copy of "The Year 2000, Your Bank and You," a special edition of the *FDIC Consumer News* devoted entirely to Y2K, by calling the Consumer Information Center toll-free at (888) 878-3256 or (888) 8-PUEBLO or by writing them at: Consumer Information Center, Item 613-F, Pueblo, CO 81009.