



State of Maryland
Department of Labor, Licensing and Regulation
OFFICE OF THE COMMISSIONER OF FINANCIAL REGULATION

Emergency Preparedness Guide for
Maryland-Chartered Banks, Credit Unions, and Trust Companies

All state-chartered banks, thrifts, and credit unions should have an emergency preparedness plan in place documenting how they will respond to various scenarios and adversity in the event of a wide-area disaster or emergency. This plan should be developed with the input of employees, documented in writing, communicated and shared with all employees, and tested at least annually. To assist in your preparation, we are including a few questions that are commonly asked of the Office of the Commissioner following wide-area emergencies.

FREQUENTLY ASKED QUESTIONS

1. Prior to a storm or emergency, if we find it necessary to close an office early, what should we do?

If you find it necessary to close any office(s) as a result of and/or precaution against a storm or emergency, you should e-mail a brief notice to the Office of the Commissioner of Financial Regulation (“OFR”). The notice should include which office(s) you plan to close and for how long.

In addition, should you need to close an institution in an emergency, Maryland law requires that you notify the Governor’s Office within 24 hours of the closing. To do so, please use their online email form at www.gov.state.md.us/mail and copy the Office of the Commissioner as detailed below. Please be sure to include “*Notice of Emergency Bank Closing*” in the subject line. If you are unable to access email, please call the Governor’s Office at 410-974-3901 or 800-811-8336.

2. What is the preferred method of communication?

The preferred method of communication with the OFR is by e-mail message to Teresa Louro at tlouro@dllr.state.md.us and Marcia Ryan at mryan@dllr.state.md.us.

TIP: On all written communications with OFR, please include your institution’s name and city of domicile. Some institutions have similar email addresses, so it is not always readily apparent who is sending the email. When time is critical, we do not want to waste any of it trying to determine who needs the help.

3. If our officers must evacuate the area for their safety, what should we do?

The safety of your employees should always come first. If the officers/managers of any state-chartered institution must evacuate, please contact the OFR as soon as possible to report (1) your contact information for (a) customers and (b) regulators and (2) the plans for your institution. Here are several emergency numbers that you may use to contact OFR. Remember, the preferred method of communication is by e-mail to Teresa Louro and Marcia Ryan.

Supplemental OFR Contact Information:

	OFFICE	CELL	EMAIL ADDRESS
Mark Kaufman, Commissioner	410-230-6101	410-218-3437	mkaufman@dllr.state.md.us
Anne Norton, Deputy Commissioner	410-230-6390	443-902-3055	anorton@dllr.state.md.us
Marcia Ryan, Assistant Commissioner	410-230-6104	410-212-6940	mryan@dllr.state.md.us
Teresa Louro, Assistant Commissioner	410-230-6022	410-446-1990	tlouro@dllr.state.md.us
Joseph Rooney, Assistant Commissioner	410-230-6214	410-491-9726	jrooney@dllr.state.md.us

4. What does OFR require if our institution suffers damages as a result of a storm or other disaster?

In the event a financial institution suffers the whole or partial loss of its main office or a branch due to a disaster, it is unnecessary to seek prior approval from OFR in order to establish a temporary location to replace an existing branch or main office that has been damaged by the disaster **as long as** notice is given, after-the-fact, of the creation of the temporary location and its municipal address. This will allow OFR to identify the location for recordkeeping purposes. It will also be helpful to notify your customers of your plans and alternate site(s) to use in the interim.

If you are closing a branch or facility for a limited time in order to complete repairs, you are required to notify OFR. However, OFR's prior approval is not required. We also ask that you prominently post signs of your plans for restoration, noting alternate site(s) for customers to use, and potential timeframes for completion of the repairs.

TIP: If some of your facilities are undamaged but may not be re-opened after a disaster because of the lack of services such as electricity, telephone, or security, consider posting signs on the closed facilities/branches directing customers to other opened facilities/branches in the area, or if you are waiving foreign ATM fees at any other ATM for a time, this information is helpful to customers as well.

5. If our institution has to shut down, when are we permitted to reopen, or when are we required to reopen?

- A. Emergency Declarations Issued by the Governor -- FI § 5-707(b), MD Ann. Code. If the Governor proclaims that an emergency exists in a particular area of the state and designates specific days for the general cessation of business in that area, then all of your branches or offices located within that area must remain closed for the designated days or until the declaration of emergency has been lifted by the Governor. Depending on the size of the designated area, this may result in your entire institution being closed.

- B. If the Governor *authorizes*, but does not *mandate* that your banking institution close, the chairman or president shall decide whether to close or remain open, depending on the specific conditions impacting your institution.
- C. Closures by Bank Officials – FI § 5-707(c). If an emergency exists, but it is not practical to obtain a proclamation from the Governor before closing your institution, the chairman or president of your institution may:
 - 1. Close the institution; and
 - 2. As soon possible, but no later than 24 hours after the closing, shall notify the Governor of the reason for the closing by following the notification procedures discussed above.

The banking institution may remain closed until the earlier of:

- 1. Notice to the institution that the Governor will not issue an emergency proclamation;
- 2. Decision by its chairman or president to reopen; or
- 3. By 5:00 p.m. on the third business day after the date of closing.

6. Why won't the regulators leave us alone when we are trying to rebuild/reopen after a disaster?

Unfortunately, after a disaster, regulators and others will be contacting you to assess the level of damage to an area and your most critical needs. When a disaster is widespread, the regulators may call all of the financial institutions in the state to be sure that no one is missed. If a disaster is contained to a small area, the regulators will likely call all of the financial institutions located in the affected area.

We may be able to assist you in a number of ways. For example, following Hurricane Katrina, state banking offices assisted community banks seeking priority service for solving phone or connectivity problems, restoring electricity, and in finding generators or armored carriers. When the examiners call you and before you conclude the call, please indicate to them if you have immediate needs. We will try to assist in any way possible.

TIP: Once the examiners have contacted you for the initial assessment, you **MAY** arrange to contact the examiner at a specified time on some agreed upon frequency so that you are not disturbed at inopportune times.

7. When a storm is approaching, what are some things that we can do to be better informed/prepared?

Watch for the current location and projected path of a storm. Most public agencies have preparatory requirements, such as evacuation, closing of schools, etc., when a storm reaches certain points. It would be very beneficial for you to know these triggers and to have plans for the institution based on these triggers as well. There are

numerous sources that provide assistance and information that may be helpful to your institution as you prepare for major storms or other disasters. Some are listed below:

Weather

- National Hurricane Center – National Weather Service
<http://www.nhc.noaa.gov>
- Weather Underground's Computer Models
<http://www.wunderground.com>
- AccuWeather.com's Forecast Eye Path
<http://hurricane.accuweather.com>

Government

- MEMA - Maryland Emergency Management Agency
www.mema.state.md.us
- Local Maryland Emergency Center Contacts and Hotlines:
http://www.mema.state.md.us/MEMA2/Local_EOC.html
- FEMA – Federal Emergency Management Agency
www.fema.gov
- FFIEC – Federal Financial Institutions Examination Council
www.ffiec.gov/katrina_lessons.htm
- CDC – Center for Disease Control
www.cdc.gov
- U.S. Department of Homeland Security
www.dhs.gov

Other

- Financial Services Sector Coordinating Council – The FSSCC works closely with the U.S. Treasury Department to maintain a strong public-private partnership to ensure that the critical financial services industry is resilient against manmade or natural disasters.
www.fsscc.org

It is important to become familiar with all of the local emergency preparedness personnel in the area of each location of your institution. These people will be a tremendous asset to your institution regarding information on evacuations, re-entry, and many other topics in a time of need.

8. What other ideas should our institution consider in advance of an emergency?

- A. Telecommunications Services** - These services may be used to get your calls through immediately following a disaster. Please consider registering for these services that are available to all financial institutions. Your entire staff is

eligible.

- Government Emergency Telecommunication Service (GETS)

GETS is a White House-directed emergency phone service provided by the National Communications System (NCS) in the Information Analysis and Infrastructure Protection Division of the Department of Homeland Security. GETS provides emergency access and priority processing in the local and long distance segments of the Public Switched Telephone Network (PSTN). It is intended to be used in an emergency or crisis situation when the PSTN is congested and the probability of completing a call over normal or other alternate telecommunication means has significantly decreased.

GETS is accessed through a universal access number using common telephone equipment such as a standard desk set, STU-III, facsimile, modem, or wireless phone. A prompt will direct the entry of your PIN and the destination telephone number. Once you are authenticated as a valid user, your call is identified as an NS/EP call and receives special treatment. **[Please note: obtaining a GETS card is absolutely FREE!!! Your only charge is 7 – 10 cents per minute for the call.]** More information regarding the GETS program can be found at <http://gets.ncs.gov/index.html>.

- Wireless Priority Services (WPS)

WPS is the wireless complement to the wired GETS. During times of emergencies, wireless service providers can experience congestion in their networks. Such congestion can severely curtail your ability to make calls with your cell phone. To facilitate the completion of critical calls during these high usage events, WPS enables you to access the next available wireless channel before non-subscribers. It is a priority access queuing system for wireless networks. The following carriers currently have this capability: Alltel, AT&T, Cellcom, Cellular South, SouthernLINC, Sprint Nextel, Sprint PCS, T-Mobile, and Verizon Wireless.

There is a one-time WPS activation fee, a monthly charge, and possibly a per minute usage fee (depending on carrier) for this service. More information regarding the WPS program can be found at <http://wps.ncs.gov>.

- Emergency Communication System (ECS)

OFR and the Federal Reserve Banks of Richmond and St. Louis will soon be announcing a new service, the Emergency Communications System (ECS), which will be available to all Maryland state-chartered banks, trust companies and credit unions.

ESC will allow the regulatory agencies to quickly and simultaneously establish two-way communication channels with all registered Maryland-chartered financial institutions during a crisis, so that essential information can be easily shared. It will also allow the regulators to more effectively assess each

institution's operational status during regional disasters or emergencies.

This regulatory tool has been developed for crisis and contingency purposes, to share information with registered institutions on critical actions within the banking system. The system is already in place and has been successfully used in several states in the south-east and mid-west. We urge all Maryland-chartered banks, trust companies and credit unions to register for this valuable service once it becomes operational.

- B.** Become familiar with all of the local emergency preparedness personnel in the area of each location of your institution. These people will be a tremendous asset to your institution regarding information on evacuations, re-entry, and many other topics in a time of need.
- Maryland Emergency Management Agency:
<http://www.mema.state.md.us/MEMA2/index.html>
 - Local Emergency Center Contacts and Hotlines:
http://www.mema.state.md.us/MEMA2/Local_EOC.html
- C.** Ensure that OFR has the relevant emergency contact information. Each year ORF requests essential contact information as part of the Annual Information Update packet emailed to our banks, trust companies and credit unions. This information will only be used only as necessary and will not be shared with anyone outside of the regulatory agencies.