

FINANCIAL INSTITUTIONS TODAY

News and topics of interest to financial institutions regulated by the Department of Banking and Finance

July 2020

Inside this issue:

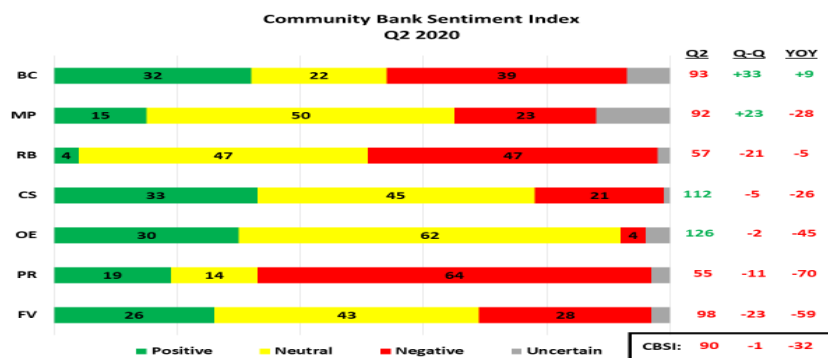
- FinCEN Advisory on Cyber Crime 2
- Interagency Lending Principles for Offering Responsible Small-Dollar Loans 2
- Supervision Division Changes 2
- Department Holiday 2
- Action on Applications 3

Joint Statement on Additional Loan Accommodations Related to Covid-19

The Federal Financial Institutions Examination Council on behalf of its members (collectively referred to as FFIEC members) issued a joint statement to provide prudent risk management and consumer protection principles for financial institutions to consider while working with borrowers as loans near the end of initial loan accommodation periods applicable during the COVID-19 pandemic. The principles are consistent with Interagency Guidelines Establishing Standards for Safety and Soundness and are generally applicable to both commercial and retail loan accommodations. The principles in the joint statement are intended to be tailored to a financial institution's size, complexity, and loan portfolio risk profile, as well as the industry and business focus of its customers or members. A link to the joint statement can be accessed [here](#).

Community Bank Sentiment Index

The Conference of State Bank Supervisors reported that the latest quarterly value of the Community Bank Sentiment Index (CBSI) was 90. The CBSI is down slightly from the previous historic low reading of 91 for the first quarter 2020, and is down considerably from last year's index of 122. The latest survey indicates that community bankers from across the nation remain unsettled and continue to have a mostly negative sentiment as a result of the COVID-19 pandemic and subsequent economic disruptions. The chart below outlines the second quarter 2020 CBSI. A link to further analysis of the CBSI and the components of the index can be accessed [here](#).



The Federal Reserve Board Announces an Extension Through December 31, 2020 of its Lending Facilities

The Federal Reserve Board announced an extension through December 31, 2020 of its lending facilities that were scheduled to expire on September 30, 2020. The three-month extension will facilitate planning by potential facility participants and provide certainty that the facilities will continue to be available to help the economy recover from the COVID-19 Pandemic. A link to the press release can be accessed below.

<https://www.federalreserve.gov/newsevents/pressreleases/monetary20200728a.htm>

FinCEN Advisory on Cybercrime and Cyber-Enabled Crime Exploiting the COVID-19 Pandemic

The Financial Crimes Enforcement Network (FinCEN) issued an advisory to alert financial institutions to potential indicators of cybercrime and cyber-enabled crime observed during the COVID-19 pandemic. Many illicit actors are engaged in fraudulent schemes that exploit vulnerabilities created by the pandemic. The advisory contains descriptions of COVID-19 related malicious cyber activity and scams, associated financial red flag indicators, and information on reporting suspicious activity. A link to the advisory can be accessed [here](#).

Interagency Lending Principles for Offering Responsible Small-Dollar Loans

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency (collectively, “the agencies”) issued principles to encourage financial institutions to offer responsible small-dollar loans to customers for both consumer and small business purposes. The agencies recognize the important role that responsibly offered small-dollar loans can play in helping customers meet their ongoing needs for credit due to temporary cash-flow imbalances, unexpected expenses, or income shortfalls, including during periods of economic stress, national emergencies, or disaster recoveries. Well-designed small-dollar lending programs can result in successful repayment outcomes that facilitate a customer’s ability to demonstrate positive credit behavior and transition into additional financial products. A link to the guidance can be accessed below.

<https://www.fdic.gov/news/press-releases/2020/pr20061a.pdf>

Supervision Division Changes



Dawn McCaskill has been promoted to the position of Supervisory Manager. Dawn joined the Department in the Woodstock office in January 2012 and was promoted through the examiner levels achieving the role of Senior Financial Examiner. During this time, she gained specialized experience in BSA and credit unions and assisted with special projects, including temporarily performing Supervisory Manager duties. Dawn also serves on the National Examination Committee of the National Association of State Credit Union Supervisors.

Dawn graduated from Troy University (Troy, Alabama) with a BBA in Finance and has prior banking and credit union experience.

Congratulations Dawn!

Please note the following Supervisory Manager Portfolio assignments, effective August 3, 2020:

Mathew Robinson, Supervisory Manager— (Corporate Processes) Southeast District (District 4) Banks and Credit Unions

Victoria Williams, Supervisory Manager— (Trust Specialist) Northwest District (District 1) Banks and Credit Unions, Northeast/Central (District 2) Banks.

Dawn McCaskill, Supervisory Manager— (Credit Union Central Point of Contact) Southwest District (District 5) Banks and Credit Unions, Northeast/Central (District 2) Credit Unions.

Department Holiday

The offices of the Department will be closed on Monday, September 7, 2020 in observance of Labor Day.

ACTION ON APPLICATIONS FOR THE MONTH

The following is a summary of official action taken by the Department on applications by Georgia state-chartered financial institutions under Title 7, Chapter 1 of the O.C.G.A. and petitions for certificate of incorporation of financial institutions and other matters of interest during the month of July 2020:

APPLICATIONS FOR DE NOVO INSTITUTIONS

<u>FINANCIAL INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Craft Bank Atlanta, GA	05-18-2020	
Classic City Bank Athens, GA	07-30-2020	

APPLICATIONS FOR CREDIT UNION CONVERSION

<u>FINANCIAL INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Marshland Credit Union Brunswick, GA	05-28-2020	07-31-2020
United 1st Federal Credit Union Kingsland, GA	06-10-2020	
Interstate Unlimited Federal Credit Union Jesup, GA	07-20-2020	

APPLICATIONS TO FORM A BANK HOLDING COMPANY

<u>FINANCIAL INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
ST HLDGS, Inc. Wilmington, DE	Withdrawn	

FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
United Community Bank Blairsville, GA	Seaside National Bank & Trust Orlando, FL	06-29-2020	07-01-2020
Georgia's Own Credit Union Atlanta, GA	Three Rivers Credit Union Bainbridge, GA	10-23-2019	07-01-2020

APPLICATIONS TO ACQUIRE A FINANCIAL INSTITUTION

<u>HOLDING COMPANY</u>	<u>TO ACQUIRE</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
ST HLDGS, INC. Wilmington, DE	Rochelle State Bank	Withdrawn	

SUBSCRIBE TO RECEIVE THIS PUBLICATION

Subscribe to Receive this Publication: Notice of this publication is delivered to interested parties via e-mail. To subscribe to this publication as well as other items of interest, please visit our website at <https://dbf.georgia.gov/>.

Department of Banking and Finance

2990 Brandywine Road, Suite 200
Atlanta, Georgia 30341-5565
Phone: (770) 986-1633
Fax: (770) 986-1654 or 1655

The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, state-chartered trust companies, international banking organizations, and bank holding companies that own Georgia state-chartered financial institutions. The Department also has responsibility for the supervision, regulation, and examination of Merchant Acquirer Limited Purpose Banks chartered in Georgia.

In addition, the Department has regulatory and/or licensing authority over mortgage brokers, lenders and processors, mortgage loan originators, consumer installment loan companies, check cashers, sellers-issuers of payment instruments, and money transmitters.

Our Mission is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our Vision is to be a willing and able partner with our regulated entities in order to support vibrant economic growth and prosperity in Georgia.