To: Colorado State Chartered Credit Unions and Savings and Loan Institutions

From: Mark Valente, Commissioner

Date: March 10, 2020

Subject: Business Continuity and Pandemic Response

In light of current events, the Division of Financial Services would like to remind our regulated financial institutions to take this opportunity to review, and revise if necessary, the institution's business continuity and pandemic response plans, which could also include a liquidity management, contingency funding, and emergency response plan. Steps should be taken to identify actions that the institution will implement to minimize the potential impact of a pandemic or external strain on business operations.

Unforeseen events, such as what we are all seeing covered in the news media, can cause widespread paranoia, panic and concern among the general public. It is our responsibility to assure account holders and employees that the institution has a response plan in place to mitigate any risks to account holder funds and the institution's safety and soundness. This includes maintaining a strong net worth cushion or having access to other tested liquidity sources to account for any unexpected run on cash. This is also a great opportunity to communicate and remind account holders that deposits are federally insured by the NCUA or FDIC and that there is not a need for consumers to withdraw cash, which could pose other public safety risks and concerns.

The Division encourages institution management teams to stay well informed with reliable information on any potential pandemic threats or recommended actions made by local and federal agencies to properly and adequately respond to the quickly changing environment and circumstances we are operating in.

The Division encourages financial institutions to meet the financial needs of customers and members affected by any potential pandemic threats.

Financial Institutions can refer to the following resources for more information:
- Cybersecurity & Infrastructure Security Agency (CISA) Insights (https://www.cisa.gov/insights)
- Mountain West Credit Union Association (https://mwcu.com/coronavirus/)

The Division of Financial Services, part of the Department of Regulatory Agencies (DORA), works to protect public interest and preserve public trust by regulating the business of state-chartered credit unions, savings and loan associations and the financial activities of life care institutions under its supervision.