



ALABAMA BANKERS ASSOCIATION
- INCORPORATED -

Memorandum

To: Elected Officials
From: Jason Isbell, Vice President of Legal and Governmental Affairs
Date: March 23, 2020
RE: Bank-related COVID-19 Update for Constituents

The Alabama Bankers Association (ABA) wants to make sure that elected officials have helpful guidance on how Alabama banks are prepared to assist their customers, your constituents, during the COVID-19 pandemic. ABA's message centers on these four simple, but important themes:

1. Banks Remain Open

- Not a single Alabama bank has closed its doors. While traffic inside a bank lobby may be restricted, drive-thru and online services remain available as always.
- Additionally, many banks will allow customers to make an appointment to visit with a banker.
- Importantly, should a shelter-in-place order be issued, banks are expected to remain open, as official federal guidance labels banking as an essential “critical infrastructure sector.”

2. Accounts Are Safe

- Alabama banks are financially sound and secure. Every bank carries FDIC insurance on all bank accounts, and since 1933, no depositor has lost a single penny of FDIC-insured funds.
- Currently, the FDIC covers \$250,000 per depositor, per insured bank, for each account ownership category.
- Constituents should be counseled to avoid withdrawing excessive amounts of cash from their bank accounts, as doing so is unsafe.

3. Fraud Is Widespread

- Unfortunately, there are some who will try and take advantage of others, particularly elderly or vulnerable adults, during these difficult times.
- Scammers are working overtime to deceive individuals into providing sensitive information in order to wipe out their bank accounts.
- As usual, be smart – review your bank statements, protect your passwords, and if something doesn't seem right, it probably isn't.

4. Call Your Banker

- The same advice given to an individual worried about paying a bill or a mortgage should also be given to a business-owner worried about payroll or lines of credit: call your banker.
- Bankers are working diligently with state and federal regulators, including the Small Business Administration, to seek as much flexibility as possible in order to meet customer needs, especially during these tough times.
- Thanks to years of organized planning for natural and economic disasters, the banking industry is well-prepared to weather economic storms, both now and in the future.