



**State of Vermont**  
**Department of Banking, Insurance,**  
**Securities and Health Care Administration**  
89 Main Street  
Montpelier, VT 05620-3101  
[www.bishca.state.vt.us](http://www.bishca.state.vt.us)

Consumer Assistance Only:  
Insurance: 1-800-964-1784  
Health Care Admin.: 1-800-631-7788  
Securities: 1-877-550-3907

August 31, 2011

**To: State-Chartered Banks, Credit Unions and Licensees:**

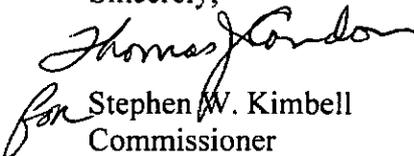
Hurricane Irene has caused extensive property damage and much inconvenience and hardship to residents throughout Vermont. The President has issued a disaster declaration for Vermont and Governor Peter Shumlin has declared a State of Emergency.

Many people's lives and area businesses have been significantly impacted by this natural disaster. Damage clean-up in many areas continues and it may be some time before all clean-up is completed and property damage repaired. Some customers and communities may need assistance and accommodations from the financial services industry as they struggle to clean-up, repair, and recover from the aftermath of Hurricane Irene.

During this period, the Department of Banking, Insurance, Securities and Health Care Administration encourages all state chartered banks, credit unions, and licensees to cooperate to the extent possible with its borrowers and other customers affected by the storm and, in keeping with sound judgment and prudent financial practice, consider exercising various forms of forbearance in the short-term. To help speed area recovery efforts, financial institution forbearance could be exercised in the form of temporarily extending or restructuring loan terms, waiving late payment or account overdraft fees and early withdrawal penalties to help ease this temporary disruption in your customers' cash flows due to the unforeseen expense resulting from storm damage. Department examiners will not criticize such forbearance provided the institution has adequately documented its actions and has exercised sound judgment and prudent financial practices in making its decision.

Please contact Deputy Commissioner Thomas J. Candon at (802) 828-3307 if you have any questions or require guidance in administering this recommendation.

Sincerely,

  
for Stephen W. Kimbell  
Commissioner



Banking  
802-828-3307

Insurance  
802-828-3301

Captive Insurance  
802-828-3304

Securities  
802-828-3420

Health Care Admin.  
802-828-2900