



KENTUCKY BANKERS ASSOCIATION STATEMENT COVID-19 and Banking Services

FOR IMMEDIATE RELEASE

March 24, 2020

All 154 member banks of the Kentucky Bankers Association are open for business and are able to fully serve the needs of their customers. While implementing public health measures in response to COVID-19, banks continue to provide essential services to customers and communities.

Many banks have temporarily closed their lobbies to foot traffic, for example, but retain drive-through operations and lobby access by appointment. All banks continue to provide services through alternate delivery such as online banking, ATMs and telephone banking.

Customers may rest assured that banks are able to continue to provide safe, reliable financial services:

- All depository banks are required by regulation to have pandemic response plans in place. These plans include strategy based on outbreak size, a framework for ensuring that operations continue, and periodic testing procedures to ensure workability.
- Banks in Kentucky and nationwide are well-positioned to weather crises of all degrees, because their high levels of capital and liquidity act as buffers against economic challenges. From this position of strength, banks have the means to support the communities they serve.
- The Federal Reserve is infusing extra capital into the monetary system. This measure is a safety practice in response to the pandemic to increase liquidity, bolstering the financial strength already in place among U.S. banks.
- Bank deposits are FDIC-insured. The Federal Deposit Insurance Corp. insures checking accounts, savings accounts, money market deposit accounts and certificates of deposit up to \$250,000 per depositor. Not one penny has ever been lost in an FDIC-insured account.
- Congress continues to pass legislation that provides banks and others with the necessary resources to assist households and businesses. One piece of legislation being discussed now would provide FDIC insurance for deposits of any amount.

Additionally, on March 17 the federal bank regulatory agencies announced two actions to support the U.S. economy and help banks lend to distressed households and businesses. Per a news release from the Office of the Comptroller of the Currency, the actions are:

1. A statement encouraging banks to use their resources to support households and businesses.
2. A technical change to phase in, as intended, the automatic distribution restrictions gradually if a firm's capital levels decline.

Banks in Kentucky have been supporting their communities for more than a century through changing, and often difficult, circumstances. Throughout the COVID-19 situation, the Kentucky banking community will continue to stand by Kentuckians to help with their financial needs.

"The banking industry in Kentucky, and nationwide, is strong and resilient. We are prepared to handle crises," said Ballard Cassady, KBA President and CEO. "Kentucky's banks will continue to provide essential financial services to its citizens in both a safe and reliable way."

ABOUT THE KBA: The purpose of the KBA is to provide effective advocacy for the financial services industry both in Kentucky and on a national level; to serve as a reliable and responsive source of information and education about areas of interest to the industry; and to provide a catalyst and forum for collective industry action.

MEDIA CONTACT: Josh Fischer, Director of Communications / jfischer@kybanks.com / 502-541-4200

Kentucky Bankers Association / 600 West Main Street, Suite 400 / Louisville, Kentucky 40202