



FINANCIAL INSTITUTIONS TODAY

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

FEBRUARY 2020

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PANDEMIC PLANNING

The Center for Disease Control and Prevention (CDC) is aggressively responding to the global outbreak of Coronavirus Disease 2019 (COVID-19) and preparing communities for the potential spread in the United States. Due to the potential spread of COVID-19 in the United States, the Department of Banking and Finance (Department) would like to remind financial institution management of the importance of pandemic planning. The December 2007 *Interagency Statement on Pandemic Planning* addresses the importance of pandemic planning as part of business continuity planning. Pandemic planning presents unique challenges to financial institutions. Unlike most natural or technical disasters and malicious acts, the impact of a pandemic is much more difficult to determine because of the anticipated difference in scale and duration. As a result of these differences, no individual or organization is excluded from the potential adverse effects of a pandemic event. Experts believe the most significant challenge may be severe staffing shortages that will likely result from a pandemic outbreak.

The potentially significant effects a pandemic could have on an institution justify establishing plans to address how each institution will manage a pandemic event. Accordingly, an institution's business continuity plan should include:

1. A preventive program to reduce the likelihood an institution's operations will be significantly affected by a pandemic event;
2. A documented strategy that provides for scaling pandemic efforts commensurate with the particular stages of a pandemic outbreak;
3. A comprehensive framework of facilities, systems, or procedures to continue critical operations if large numbers of staff members are unavailable for prolonged periods;
4. A testing program to ensure the institution's pandemic planning practices and capabilities are effective and will allow critical operations to continue; and
5. An oversight program to ensure ongoing review and updates to the pandemic plan.

A link to the December 2007 *Interagency Statement on Pandemic Planning* is listed below. In addition, a link to CDC Pandemic Planning and Preparedness Resources is attached as well.

www.ffiec.gov/press/pandemicguidance.pdf

<https://www.cdc.gov/flu/pandemic-resources/planning-preparedness/state-local-government-planning.html>

JOINT STATEMENT ON HEIGHTENED CYBERSECURITY RISK

The Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency issued a statement to remind supervised financial institutions of sound cybersecurity risk management principles. These principles elaborate on standards articulated in the *Interagency Guidelines Establishing Information Security Standards*, as well as resources provided by the Federal Financial Institutions Examination Council. The January 2020 *Joint Statement on Heightened Cybersecurity Risk* states implementing and maintaining effective cybersecurity controls is critical to protecting financial institutions from malicious activity, especially in periods of heightened risk. Sound risk management for cybersecurity includes the following:

- Response and resilience capabilities: Review, update, and test incident response and business continuity plans.
- Authentication: Protect against unauthorized access.
- System configuration: Securely configure systems and services.

When financial institutions apply these principles and risk mitigation techniques, they reduce the risk of a cyber attack's success and minimize the negative impacts of a disruptive and destructive cyber attack.

A link to the guidance can be accessed [here](#).

EMERGENCY CLOSING NOTIFICATION PROCEDURES

The Department would like to remind all Georgia state-chartered financial institutions of emergency closing notification procedures. Financial institutions have the discretion to close business operations in the event of a natural disaster or other emergency, including situations where an emergency may be imminent. Financial institution offices directly affected by severe weather conditions may close under the conditions set forth in O.C.G.A. § 7-1-111 and Department Rule 80-5-2-.02. All financial institutions are reminded that current regulations provide for management to exercise its own discretion, with notification to the Department, in closing any institution for one business day (renewal for successive days) upon its determination that the safety of customers, employees, or assets would be in jeopardy due to civil disorder, fire, acts of God, or similar circumstances which render the institution unable to conduct business in a safe and sound manner.

Office closings due to emergency situations should be communicated to the Department as soon as transmission is feasible. Furthermore, financial institutions should make every effort to reopen as quickly as possible to address the needs of their customers.

SPEAKING ENGAGEMENTS

Commissioner Kevin Hagler spoke at the Atlanta Federal Reserve Bank for the annual Banking Outlook Conference on Thursday, February 27, 2020. Details of the event can be accessed [here](#).

Commissioner Kevin Hagler spoke at Auburn University Bank Directors College on Thursday, February 27, 2020. Details of the event can be accessed [here](#).

Deputy Commissioner for Legal Affairs Oscar B. Fears, III will be speaking at a Compliance Peer Group Meeting at Middle Georgia State University, Macon, Georgia, on March 5, 2020. Event details can be accessed [here](#).

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 February 2020:

APPLICATIONS FOR DISSOLUTION

<u>FINANCIAL INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
The Citizens Bank Nashville, GA 31639	Pending	

APPLICATIONS FOR DE NOVO INSTITUTIONS

<u>Financial Institution</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Craft Bank Atlanta, GA	Pending	

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Core Credit Union Statesboro	Bermuda Run 1099 Bermuda Run Statesboro, GA 303458 Bulloch County	01-05-2018	02-10-2020
Delta Community Credit Union Atlanta	Peachtree Parkway 445 Peachtree Pkwy Cumming, GA 30041 Forsyth County	02-03-2020	
Atlanta Postal Credit Union Atlanta	Parc Community Credit Union 6000 Ogeechee Road Savannah, GA 31429 Chatham County	02-20-2020	
Atlanta Postal Credit Union Atlanta	Parc Community Credit Union 160 Pooler Pkwy Pooler, GA 31322 Chatham County	02-20-2020	

APPLICATIONS TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
United Bank Zebulon	From: 855 N. Church Street Thomaston, GA 30286 Upson County	12-17-2019	
	To: 1111 Highway 19N Thomaston, GA 30286 Upson County		

ACTION ON APPLICATIONS FOR THE MONTH**APPLICATIONS TO CHANGE LOCATION CONTINUED**

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Reliance Trust Company Atlanta	From: Main Office 1100 Abernathy Road Suite 400 Atlanta, GA 30328 Fulton County To: 201 17th Street, NW Suite 1000 Atlanta, GA 30363 Fulton County	12-17-2019	

APPLICATIONS FOR RESERVATION OF NAME

<u>PROPOSED NAME</u>	<u>COUNTY</u>	<u>APPLICANT</u>
United 1st Credit Union	Camden	Mr. Pat Conn Chief Executive Officer United 1st Federal Credit Union 162 North Gross Road Kingsland, GA 31548
Atrium Credit Union	Bibb	Ms. Linda Wilson Compliance Specialist & BSA Officer CGR Credit Union 2040 Ingleside Avenue Macon, GA 31204
Marshland Credit Union	Glynn	Mr. Charlie Lovering Chief Operations Officer Marshland Community Federal Credit Union P.O. Box 1957 Brunswick, GA 31521

FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
The First, NA Hattiesburg, MS	Southwest Ga Bank Moultrie, GA		
First-Citizens Bank & Trust Company Raleigh, NC	Gwinnett Community Bank Duluth, GA	12-13-2019	02-01-2020
Pinnacle Bank Elberton, GA	Southern Bank & Trust Clarkesville, GA	01-30-2020	
HALLCO Community Credit Union Gainesville, GA	Habersham Federal Credit Union Clarkesville, GA	01-23-2020	

ACTION ON APPLICATIONS FOR THE MONTH CONTINUED

FINANCIAL INSTITUTION MERGERS CONTINUED

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Georgia's Own Credit Union Atlanta, GA	Three Rivers Credit Union Bainbridge, GA	10-23-2019	

APPLICATION TO ACQUIRE A FINANCIAL INSTITUTION

<u>BANK HOLDING COMPANY</u>	<u>TO ACQUIRE</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Pinnacle Financial Corporation Elberton, GA	SBT Bancorp Inc. Clarkesville, GA	01-30-2020	
The First Bancshares, Inc. Hattiesburg, MS	Southwest GA Financial Corp. Moultrie, GA		

The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, state-chartered trust companies, 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, check cashers, sellers-issuers of payment instruments, money transmitters, and international banking organizations.

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.

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