
DIVISION OF BANKING

1601 N. Harrison Avenue, Suite 1, Pierre, SD 57501
605-773-3421

MEMORANDUM

NUMBER: 07-013

DATE: March 12, 2020

TO: SOUTH DAKOTA STATE CHARTERED BANKS

FROM: BRET AFDAHL, Director

RE: PANDEMIC PLANNING

Given recent events, it is important for your institution to be prepared for disruption in operations due to potential pandemic events. I encourage you to review recent guidance issued by the FFIEC and then revise or establish appropriate Pandemic Plans in the event of a disruption. These plans should be integrated into business continuity plans and address the threat of a pandemic outbreak and its potential impact on the delivery of critical financial services. Your plans should also consider ways to maintain essential financial services for customers while limiting any impact to employees.

As you consider the need to deviate from normal operating hours, please be aware that SDCL 51A-4-18 provides the following:

In the event of a[n] ...epidemic, or for such other reason as the director may determine to be good cause, or in the event of the declaration of the existence of an emergency by the Governor or such other person lawfully exercising the power and duties of the office of Governor, a bank, in the reasonable and proper exercise of its discretion, may determine not to open its main office or any branch on any business or banking day, or if having opened, to close such main office or any branch during the continuation of any such occurrence or emergency...the bank shall, as soon as practicable, notify the director of the nonopening or closing period.

I ask that you disseminate any closing information to the public as soon as possible via your normal mediums. Any branch/bank closures should be communicated to our office via email (banking@state.sd.us) or telephone (605-773-3421) as prescribed in Statute. In any event, our staff will be actively monitoring these channels during normal working hours.

Access to financial services is critical for all South Dakotans. While the magnitude of the impact to South Dakota from the current Coronavirus outbreak is unknown, it is important nonetheless for your institution to be prepared. Division staff will continue to monitor the impact

and alter onsite examination activities as needed, including having discussions with bank management during examination planning and off-site portions of examinations.

If you would like additional information, or if you have any questions, please do not hesitate to contact the Division at 605-773-3421.