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May 29, 2009

To: Chief Executive Officers of State and National Banks, State and Federally Chartered Savings Banks, State and Federally Chartered Savings and Loan Associations and State and Federally Chartered Credit Unions

As you know, Governor Rendell and state lawmakers are negotiating the Commonwealth's budget for the coming fiscal year. While the Administration and General Assembly strive to enact a budget before July 1, it is evident given current economic conditions and the budget shortfall, we must nonetheless prepare for the possible financial impact of a budget impasse on the Commonwealth's hard-working employees.

The Governor advised employees by letter dated May 13, 2009 to prepare for this financial challenge and the possibility of delayed receipt of paychecks. Should this worst-case scenario unfold, I ask that you consider extending your institution's support to state employees as they cope with any temporary income deferral. This may include, but is certainly not limited to, being sensitive in your approach to minimum balance requirements; overdraft protection and fees; mortgage, car and credit payments; late fees; delinquency reporting to credit bureaus; and the use of short-term loans to families in crisis.

In times of considerable economic stress, I would be remiss if I didn't take a few moments to draw your attention to a source of current concern for tens of thousands of responsible women and men employed by the Commonwealth of Pennsylvania.

Thank you for your time and attention.

Sincerely,

A handwritten signature in black ink, appearing to read "SK", is written over a horizontal line. Below the signature, the name "Steven Kaplan" and the title "Secretary of Banking" are printed in a black, sans-serif font.

Steven Kaplan
Secretary of Banking