

# Subject: Massachusetts Division of Banks - Coronavirus/COVID-19 outbreak



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to

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To the Licensee Addressed:

The Massachusetts Division of Banks is issuing a reminder to licensees that they should have in place business continuity plans in relation to a pandemic outbreak and its potential impact on the delivery of financial services. In light of the Coronavirus/COVID-19 outbreak, it is critical that licensees are prepared for a pandemic in order to minimize business disruption.

Guidelines for licensees to consider when developing a pandemic preparedness policy include but are not limited to:

- Document your strategy for responding to a pandemic that is scaled to the stages of an outbreak (an example of such is found [here](#))
- Ensure continuance of critical operations via a comprehensive framework of operations, including identification of systems and services needed to continue operations remotely if necessary
- Communicate plans with staff, service providers, customers, and regulators, including educating staff about company policies
- Educate employees on risk mitigation strategies, such as those found [here](#)
- Test pandemic planning practices and capabilities
- Ensure sufficient flexibility in the pandemic plan to address a range of possible effects that could result from a pandemic

In addition, as concerns about the Coronavirus/COVID-19 are heightened, the Division of Banks has received questions related to the Division's position on licensed mortgage loan originators (MLO) originating mortgage loans from their home as opposed to a licensed branch office during a period of being quarantined or social distancing themselves in their home due to coronavirus. The Division is sensitive to the issue and encourages all licensees to use a common sense approach. The Division does not require MLO's homes to be licensed as a branch as long as they do not advertise the home as an office and do not meet consumers at their home. The Division would also permit all other licensees to work from home, provided an arrangement is feasible for their business model and license type, that it is not advertised as an office, and that the licensee does not meet consumers at their home.