

# RESCINDED

AL 2000-1

## OCC ADVISORY LETTER

Any attachments to this document are rescinded only as they relate to national banks and federal savings associations.

Subject: Leap Year Day and Remaining Year 2000 Risks

**To:** Chief Executive Officers of All National Banks, Federal Branches, Service Providers, Software Vendors, and All Examining Personnel

This advisory reminds management of banks, service providers, and software vendors of potential Year 2000-related risks subsequent to the century date change.

Some critical dates still have the potential to cause information systems to malfunction. Therefore, management should continue to identify and control the risks posed by both internally identified critical dates, as well as the remaining critical dates identified in the April 10, 1998, FFIEC Interagency Statement, *Guidance Concerning Testing for Year 2000 Readiness*.

In addition, management should remain vigilant for other Year 2000-related risks that may occur. Such risks include undetected data corruption in bank programs and files, financial strains on bank customers who encounter Year 2000-related problems, and temporary Year 2000 fixes that may need further remediation at a later date. Management, in consultation with legal counsel, also should ensure that the institution retains appropriate documentation associated with its Year 2000 efforts to demonstrate that it has fulfilled its fiduciary, contractual, and regulatory responsibilities in the event of third-party litigation.

The next FFIEC-identified critical date is February 29, 2000. Given the minimal problems encountered over the century date change period, the OCC will not contact every institution on this date. However, management of national banks and OCC-supervised service providers and software vendors are expected to promptly report to their examiners any substantive Year 2000-related problems related to this critical date or any other Year 2000-related risk. A substantive Year 2000-related problem is one that is not easily correctable or that poses a broader risk to the industry.

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