

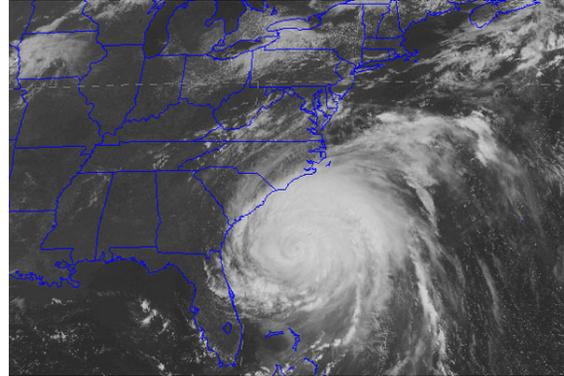
HURRICANE IRENE'S ASSAULT ON U.S. BEGINS

Rain bands from Irene are beginning to hit North Carolina. Dangerous surge, winds, and widespread destruction are likely on the East Coast. If ordered to evacuate, DO SO IMMEDIATELY.

<http://www.weather.com>

Is it OK to repo if there's a mandatory evacuation?

With Hurricane Irene barreling down on the east coast over the weekend, many governments have declared states of emergency and have mandatory evacuation notices in place for the safety of their local businesses and residents. But what does this mean for repossessions in those areas?



In our opinion, there are 3 important things to think about here...

1. In many states it is against the law to enter into an area that is under a mandatory evacuation. While law enforcement or National Guard units may not go door to door to forcibly remove residents who refuse to leave their homes; they do have the authority to arrest anyone trying to go in to those areas.
2. Your client spends millions of dollars each year to build and maintain a pretty face. You can destroy all they worked and paid for with just one repo during the wrong time such as the approaching storm.
3. Repossession during a Hurricane when there is likely to be wide spread devastation is a public relations nightmare for both you and your client. No one wants to see a debtor on the evening news saying you or your client is responsible for them not being able to evacuate their home or standing in front of the grocery store with a cart of supplies and no vehicle to put them. Many lenders may choose to put a temporary hold on accounts for those in the affected areas. You will want to be sure an account is still open prior to repossessing it to avoid wrongful repossession claims if you continue to repossess until conditions become such that you cannot.
4. While the news outlets often dramatize situations and make things interesting to the viewer with powerful graphics and terms like "Storm of the Century" the severity of this storm and the potential damages are not exaggerated. This is a huge storm, heading to areas that often are not faced with these types of winds and rain amounts and may not be fully prepared for the event. For the safety of you and your employees, you should establish a plan and stick to it. Halt repossession activities as of a certain time – well in advance of the storm, establish a clear plan and process for emergency communication. We constantly say that no repossession is worth a human life...keep this to heart as the storm approaches.

Our recommendation is to not push your luck, you may need it during the storm yourself. Be Safe.