

ELIZABETH WARREN
MASSACHUSETTS

COMMITTEES.

BANKING, HOUSING, AND URBAN AFFAIRS

HEALTH, EDUCATION, LABOR, AND PENSIONS

ARMED SERVICES

SPECIAL COMMITTEE ON AGING

United States Senate

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www.warren.senate.gov

March 3, 2020

Brian Moynihan
Chairman of the Board and Chief Executive Officer
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Mr. Moynihan:

I write to seek information on your plans to help meet the financial needs of your customers if they suffer from economic difficulties related to the spread of coronavirus disease 2019 (COVID-19). The Centers for Disease Control and Prevention (CDC) has now stated that it is likely that “widespread transmission of COVID-19 in the United States will occur.”¹ In countries where COVID-19 cases have proliferated, measures necessary to stop the spread of the illness have shaken local economies, shuttered businesses, stopped travel and trade, closed schools, and quarantined workers.

If similar measures are taken in the United States, the economic costs could be severe: many of your customers may have temporary lapses in or losses of income that will make it hard for them to pay their mortgages, credit card bills, auto loans or other consumer debts. In the past, in cases of temporary income disruptions due to natural disasters or the 2019 government shutdown you have extended flexibilities to your customers to ensure that temporary conditions do not spell long-term financial ruin. I write to understand what if any flexibilities you intend to offer your customers affected by COVID-19 and to understand how long you may be able to make those measures available, given the uncertainty around the length and the intensity of the outbreak.

This novel coronavirus, which causes COVID-19, was first detected in December 2019 in Wuhan City, China.² Since then, the disease has spread on a global scale. The World Health Organization (WHO) declared a “Public Health Emergency of International Concern” on January 30, 2020.³ The United States has confirmed over 100 domestic coronavirus cases in at least 10 states, two of which have recently issued emergency declarations.⁴ Top CDC officials have stated that they expect to see community spread of the disease and that significant disruptions to individuals’ daily lives could occur as a result.⁵

¹ Centers for Disease Control and Prevention, “Coronavirus Disease 2019 (COVID-19) Situation Summary,” February 29, 2020, <https://www.cdc.gov/coronavirus/2019-nCoV/summary.html>.

² World Health Organization, “Statement on the second meeting of the International Health Regulations (2005) Emergency Committee regarding the outbreak of novel coronavirus (2019-nCoV),” press release, January 30, 2020, [https://www.who.int/news-room/detail/30-01-2020-statement-on-the-second-meeting-of-the-international-health-regulations-\(2005\)-emergency-committee-regarding-the-outbreak-of-novel-coronavirus-\(2019-ncov\)](https://www.who.int/news-room/detail/30-01-2020-statement-on-the-second-meeting-of-the-international-health-regulations-(2005)-emergency-committee-regarding-the-outbreak-of-novel-coronavirus-(2019-ncov)).

³ *Id.*

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⁵ Centers for Disease Control and Prevention, “Transcript for the CDC Telebriefing Update on COVID-19,” February 26, 2020, <https://www.cdc.gov/media/releases/2020/t0225-cdc-telebriefing-covid-19.html>.

While I have called for providing emergency paid sick leave to all individuals exposed to coronavirus that would fully replace wages lost while in quarantine or acting as a family caregiver, I remain concerned about the economic disruptions that could have wide-reaching economic impacts for American families. According to these health officials, some of “the most effective interventions in reducing the spread of a new virus...are also the most likely to be associated with unwanted consequences and further disruptions,” including “missed work and loss of income.”⁶ As a result, individuals, at no fault of their own, may be required to be absent from their employment for a prolonged period of time due to the need to take care of children at home because of school closures, a shutdown of mass public transit systems, or a number of other factors that could make it impossible to go to work as usual.

Far too many employers offer inadequate leave policies, or none at all: 27% of all private industry workers do not have access to paid sick leave benefits.⁷ This problem is particularly pronounced for the most economically vulnerable. Less than a third of the lowest-paid private industry wage earners have access to paid leave benefits.⁸ For the average worker without paid sick leave, “lost wages from [taking] off nearly three days equal their entire grocery budget for the month.”⁹

Apart from the direct effect on workers, families will also be affected by deteriorating economic conditions. If businesses’ bottom lines take substantial hits, workers could have their hours cut or be laid off. And if there are shortages due to supply chain disruptions from the outbreak or due to individuals purchasing items in bulk, prices could climb dramatically.¹⁰

Because of the severe economic threat from a coronavirus pandemic, the financial stability of millions of American families may be at risk. As one of the largest retail banks in the country, your institution can take certain steps to limit this risk, as you have done in prior times of economic distress for individuals. In 2019, when over 800,000 federal workers were affected by President Trump’s government shutdown, I wrote to you to ask about the actions your bank was taking to assist those affected.¹¹ Your responses indicated that you took meaningful steps provide relief for your affected customers. Specifically, you claimed that your bank offered zero-interest credit card accounts, and deferrals on credit card, auto loan, and mortgage and home equity payments with no late fees or delinquency reporting.¹² It is my hope that, should they be necessary, that you will again be willing and able to provide a similar set of solutions to those affected by the coronavirus outbreak. Given the uncertain trajectory of the disease and the number of individuals who could be affected, I hope that you will be able to provide additional assistance to the extent it does not impact the safety and soundness of your bank.

⁶ *Id.*

⁷ Bureau of Labor Statistics, “Employee Benefits in the United States – March 2019,” September 19, 2019, <https://www.bls.gov/news.release/pdf/ebs2.pdf>.

⁸ *Id.*

⁹ Economic Policy Institute, “Work sick or lose pay?,” Elise Gould and Jessica Schieder, June 28, 2017, <https://www.epi.org/publication/work-sick-or-lose-pay-the-high-cost-of-being-sick-when-you-dont-get-paid-sick-days/>.

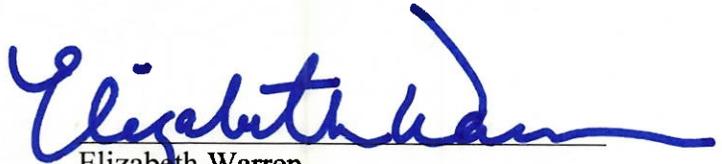
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In order to better understand how your institution is planning to protect the financial security of your customers and how long you can provide these measures, I request that you answer the following questions by March 17, 2020.

Sincerely,



Elizabeth Warren
United States Senator

1. What types of relief do you plan on offering to individuals who are affected by the coronavirus? Please indicate what type of relief you will be offering for each of the following:
 - a. Mortgages
 - b. Auto Loans
 - c. Credit Card Payments
 - d. Personal Loans
 - e. Small business loans
 - f. Deposit account fees and overdraft
2. Will you report negative credit information to credit reporting agencies for customers affected by the coronavirus?
3. What steps will you take to make sure that any affected customers are aware of any relief measures and financial hardship services you will offer?
4. Will you require some type of verification of financial hardship for a customer to access these relief measures? If so, how will you ensure that the verification process is not burdensome and individuals will still be able to access the services in a timely manner?
5. For how many of your customers would you be able to provide these services?
6. For how long would you be able to provide these services before the financial health and safety of your bank is impacted?
7. Will individuals be able to access and activate these services remotely?
8. Have you received any communications from the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau, or any other financial regulator providing guidance or advice on helping your customers navigate a potential coronavirus outbreak? If so, what was the nature of this advice?

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March 3, 2020

Jamie Dimon
Chairman of the Board and Executive Officer
JP Morgan Chase & Co.
383 Madison Avenue
New York, NY 10179

Dear Mr. Dimon:

I write to seek information on your plans to help meet the financial needs of your customers if they suffer from economic difficulties related to the spread of coronavirus disease 2019 (COVID-19). The Centers for Disease Control and Prevention (CDC) has now stated that it is likely that “widespread transmission of COVID-19 in the United States will occur.”¹ In countries where COVID-19 cases have proliferated, measures necessary to stop the spread of the illness have shaken local economies, shuttered businesses, stopped travel and trade, closed schools, and quarantined workers.

If similar measures are taken in the United States, the economic costs could be severe: many of your customers may have temporary lapses in or losses of income that will make it hard for them to pay their mortgages, credit card bills, auto loans or other consumer debts. In the past, in cases of temporary income disruptions due to natural disasters or the 2019 government shutdown you have extended flexibilities to your customers to ensure that temporary conditions do not spell long-term financial ruin. I write to understand what if any flexibilities you intend to offer your customers affected by COVID-19 and to understand how long you may be able to make those measures available, given the uncertainty around the length and the intensity of the outbreak.

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While I have called for providing emergency paid sick leave to all individuals exposed to coronavirus that would fully replace wages lost while in quarantine or acting as a family caregiver, I remain concerned about the economic disruptions that could have wide-reaching economic impacts for American families. According to these health officials, some of “the most effective interventions in reducing the spread of a new virus...are also the most likely to be associated with unwanted consequences and further disruptions,” including “missed work and loss of income.”⁶ As a result, individuals, at no fault of their own, may be required to be absent from their employment for a prolonged period of time due to the need to take care of children at home because of school closures, a shutdown of mass public transit systems, or a number of other factors that could make it impossible to go to work as usual.

Far too many employers offer inadequate leave policies, or none at all: 27% of all private industry workers do not have access to paid sick leave benefits.⁷ This problem is particularly pronounced for the most economically vulnerable. Less than a third of the lowest-paid private industry wage earners have access to paid leave benefits.⁸ For the average worker without paid sick leave, “lost wages from [taking] off nearly three days equal their entire grocery budget for the month.”⁹

Apart from the direct effect on workers, families will also be affected by deteriorating economic conditions. If businesses’ bottom lines take substantial hits, workers could have their hours cut or be laid off. And if there are shortages due to supply chain disruptions from the outbreak or due to individuals purchasing items in bulk, prices could climb dramatically.¹⁰

Because of the severe economic threat from a coronavirus pandemic, the financial stability of millions of American families may be at risk. As one of the largest retail banks in the country, your institution can take certain steps to limit this risk, as you have done in prior times of economic distress for individuals. In 2019, when over 800,000 federal workers were affected by President Trump’s government shutdown, I wrote to you to ask about the actions your bank was taking to assist those affected.¹¹ Your responses indicated that you took meaningful steps provide relief for your affected customers. Specifically, you claimed that your bank automatically refunded overdraft and monthly service fees for any Chase checking and savings customer that worked for a federal agency.¹² It is my hope that, should they be necessary, that you will again be willing and able to provide a similar set of solutions to those affected by the coronavirus outbreak. Given the uncertain trajectory of the disease and the number of individuals who could be affected, I hope that you will be able to provide additional assistance to the extent it does not impact the safety and soundness of your bank.

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¹⁰ USA Today, “Coronavirus fears empty store shelves of toilet paper, bottles water, masks as shoppers stock up,” Kelly Tyko, Jessica Guynn, and Mike Snider, February 28, 2020, <https://www.usatoday.com/story/money/2020/02/28/coronavirus-2020-preparation-more-supply-shortages-expected/4903322002/>.

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Sincerely,



Elizabeth Warren
United States Senator

1. What types of relief do you plan on offering to individuals who are affected by the coronavirus? Please indicate what type of relief you will be offering for each of the following:
 - a. Mortgages
 - b. Auto Loans
 - c. Credit Card Payments
 - d. Personal Loans
 - e. Small business loans
 - f. Deposit account fees and overdraft
2. Will you report negative credit information to credit reporting agencies for customers affected by the coronavirus?
3. What steps will you take to make sure that any affected customers are aware of any relief measures and financial hardship services you will offer?
4. Will you require some type of verification of financial hardship for a customer to access these relief measures? If so, how will you ensure that the verification process is not burdensome and individuals will still be able to access the services in a timely manner?
5. For how many of your customers would you be able to provide these services?
6. For how long would you be able to provide these services before the financial health and safety of your bank is impacted?
7. Will individuals be able to access and activate these services remotely?
8. Have you received any communications from the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau, or any other financial regulator providing guidance or advice on helping your customers navigate a potential coronavirus outbreak? If so, what was the nature of this advice?

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March 3, 2020

Michael Corbat
Chief Executive Officer
Citigroup
338 Greenwich Street
New York, NY 10013

Dear Mr. Corbat:

I write to seek information on your plans to help meet the financial needs of your customers if they suffer from economic difficulties related to the spread of coronavirus disease 2019 (COVID-19). The Centers for Disease Control and Prevention (CDC) has now stated that it is likely that “widespread transmission of COVID-19 in the United States will occur.”¹ In countries where COVID-19 cases have proliferated, measures necessary to stop the spread of the illness have shaken local economies, shuttered businesses, stopped travel and trade, closed schools, and quarantined workers.

If similar measures are taken in the United States, the economic costs could be severe: many of your customers may have temporary lapses in or losses of income that will make it hard for them to pay their mortgages, credit card bills, auto loans or other consumer debts. In the past, in cases of temporary income disruptions due to natural disasters or the 2019 government shutdown you have extended flexibilities to your customers to ensure that temporary conditions do not spell long-term financial ruin. I write to understand what if any flexibilities you intend to offer your customers affected by COVID-19 and to understand how long you may be able to make those measures available, given the uncertainty around the length and the intensity of the outbreak.

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Far too many employers offer inadequate leave policies, or none at all: 27% of all private industry workers do not have access to paid sick leave benefits.⁷ This problem is particularly pronounced for the most economically vulnerable. Less than a third of the lowest-paid private industry wage earners have access to paid leave benefits.⁸ For the average worker without paid sick leave, “lost wages from [taking] off nearly three days equal their entire grocery budget for the month.”⁹

Apart from the direct effect on workers, families will also be affected by deteriorating economic conditions. If businesses’ bottom lines take substantial hits, workers could have their hours cut or be laid off. And if there are shortages due to supply chain disruptions from the outbreak or due to individuals purchasing items in bulk, prices could climb dramatically.¹⁰

Because of the severe economic threat from a coronavirus pandemic, the financial stability of millions of American families may be at risk. As one of the largest retail banks in the country, your institution can take certain steps to limit this risk, as you have done in prior times of economic distress for individuals. In 2019, when over 800,000 federal workers were affected by President Trump’s government shutdown, I wrote to you to ask about the actions your bank was taking to assist those affected.¹¹ Your responses indicated that you took meaningful steps provide relief for your affected customers. Specifically, you claimed that your bank proactively identified bank customers who were federal employees with direct deposit to a Citi bank account and refunded any monthly service or overdraft fees.¹² It is my hope that, should they be necessary, that you will again be willing and able to provide a similar set of solutions to those affected by the coronavirus outbreak. Given the uncertain trajectory of the disease and the number of individuals who could be affected, I hope that you will be able to provide additional assistance to the extent it does not impact the safety and soundness of your bank.

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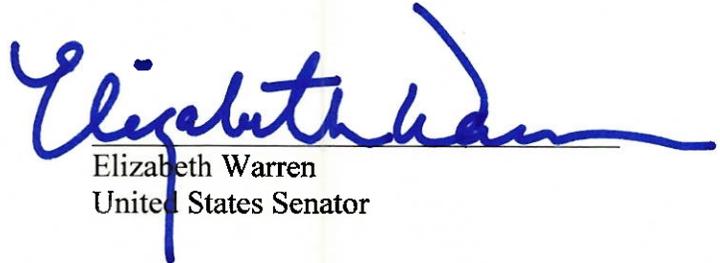
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United States Senator

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March 3, 2020

Andy Cecere
President and Chief Executive Officer
U.S. Bancorp
800 Nicollet Mall
Minneapolis, MN 55402

Dear Mr. Cecere:

I write to seek information on your plans to help meet the financial needs of your customers if they suffer from economic difficulties related to the spread of coronavirus disease 2019 (COVID-19). The Centers for Disease Control and Prevention (CDC) has now stated that it is likely that “widespread transmission of COVID-19 in the United States will occur.”¹ In countries where COVID-19 cases have proliferated, measures necessary to stop the spread of the illness have shaken local economies, shuttered businesses, stopped travel and trade, closed schools, and quarantined workers.

If similar measures are taken in the United States, the economic costs could be severe: many of your customers may have temporary lapses in or losses of income that will make it hard for them to pay their mortgages, credit card bills, auto loans or other consumer debts. In the past, in cases of temporary income disruptions due to natural disasters or the 2019 government shutdown you have extended flexibilities to your customers to ensure that temporary conditions do not spell long-term financial ruin. I write to understand what if any flexibilities you intend to offer your customers affected by COVID-19 and to understand how long you may be able to make those measures available, given the uncertainty around the length and the intensity of the outbreak.

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While I have called for providing emergency paid sick leave to all individuals exposed to coronavirus that would fully replace wages lost while in quarantine or acting as a family caregiver, I remain concerned about the economic disruptions that could have wide-reaching economic impacts for American families. According to these health officials, some of "the most effective interventions in reducing the spread of a new virus...are also the most likely to be associated with unwanted consequences and further disruptions," including "missed work and loss of income."⁶ As a result, individuals, at no fault of their own, may be required to be absent from their employment for a prolonged period of time due to the need to take care of children at home because of school closures, a shutdown of mass public transit systems, or a number of other factors that could make it impossible to go to work as usual.

Far too many employers offer inadequate leave policies, or none at all: 27% of all private industry workers do not have access to paid sick leave benefits.⁷ This problem is particularly pronounced for the most economically vulnerable. Less than a third of the lowest-paid private industry wage earners have access to paid leave benefits.⁸ For the average worker without paid sick leave, "lost wages from [taking] off nearly three days equal their entire grocery budget for the month."⁹

Apart from the direct effect on workers, families will also be affected by deteriorating economic conditions. If businesses' bottom lines take substantial hits, workers could have their hours cut or be laid off. And if there are shortages due to supply chain disruptions from the outbreak or due to individuals purchasing items in bulk, prices could climb dramatically.¹⁰

Because of the severe economic threat from a coronavirus pandemic, the financial stability of millions of American families may be at risk. As one of the largest retail banks in the country, your institution can take certain steps to limit this risk, as you have done in prior times of economic distress for individuals. In 2019, when over 800,000 federal workers were affected by President Trump's government shutdown, I wrote to you to ask about the actions your bank was taking to assist those affected.¹¹ Your responses indicated that you took meaningful steps provide relief for your affected customers. Specifically, you claimed that your bank offered a 0.01% APR quick loan product designed to help your customers who

⁴ CNN, "US coronavirus cases jump to 91, including 2 deaths," Hollie Silverman and Holly Yan, March 2, 2020, <https://www.cnn.com/2020/03/02/health/us-coronavirus-cases-monday/index.html>.

⁵ Centers for Disease Control and Prevention, "Transcript for the CDC Telebriefing Update on COVID-19," February 26, 2020, <https://www.cdc.gov/media/releases/2020/t0225-cdc-telebriefing-covid-19.html>.

⁶ *Id.*

⁷ Bureau of Labor Statistics, "Employee Benefits in the United States – March 2019," September 19, 2019, <https://www.bls.gov/news.release/pdf/ebs2.pdf>.

⁸ *Id.*

⁹ Economic Policy Institute, "Work sick or lose pay?," Elise Gould and Jessica Schieder, June 28, 2017, <https://www.epi.org/publication/work-sick-or-lose-pay-the-high-cost-of-being-sick-when-you-dont-get-paid-sick-days/>.

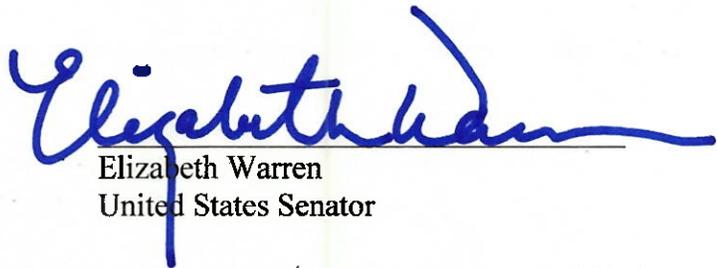
¹⁰ USA Today, "Coronavirus fears empty store shelves of toilet paper, bottles water, masks as shoppers stock up," Kelly Tyko, Jessica Guynn, and Mike Snider, February 28, 2020, <https://www.usatoday.com/story/money/2020/02/28/coronavirus-2020-preparation-more-supply-shortages-expected/4903322002/>.

¹¹ Letter from Senator Warren, January 15, 2019, <https://www.warren.senate.gov/imo/media/doc/Letters%20to%20Large%20Retail%20Banks%20re%20Shutdown.pdf>.

were federal employees that needed special assistance.¹² It is my hope that, should they be necessary, that you will again be willing and able to provide a similar set of solutions to those affected by the coronavirus outbreak. Given the uncertain trajectory of the disease and the number of individuals who could be affected, I hope that you will be able to provide additional assistance to the extent it does not impact the safety and soundness of your bank.

In order to better understand how your institution is planning to protect the financial security of your customers and how long you can provide these measures, I request that you answer the following questions by March 17, 2020.

Sincerely,



Elizabeth Warren
United States Senator

1. What types of relief do you plan on offering to individuals who are affected by the coronavirus?
Please indicate what type of relief you will be offering for each of the following:
 - a. Mortgages
 - b. Auto Loans
 - c. Credit Card Payments
 - d. Personal Loans
 - e. Small business loans
 - f. Deposit account fees and overdraft
2. Will you report negative credit information to credit reporting agencies for customers affected by the coronavirus?
3. What steps will you take to make sure that any affected customers are aware of any relief measures and financial hardship services you will offer?
4. Will you require some type of verification of financial hardship for a customer to access these relief measures? If so, how will you ensure that the verification process is not burdensome and individuals will still be able to access the services in a timely manner?
5. For how many of your customers would you be able to provide these services?
6. For how long would you be able to provide these services before the financial health and safety of your bank is impacted?
7. Will individuals be able to access and activate these services remotely?

¹² Banks' response to Letters from Senator Warren, <https://www.warren.senate.gov/imo/media/doc/2019-02-11%20Shutdown%20responses.pdf>.

8. Have you received any communications from the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Consumer Financial Protection Bureau, or any other financial regulator providing guidance or advice on helping your customers navigate a potential coronavirus outbreak? If so, what was the nature of this advice?

ELIZABETH WARREN
MASSACHUSETTS

COMMITTEES:
BANKING, HOUSING, AND URBAN AFFAIRS
HEALTH, EDUCATION, LABOR, AND PENSIONS
ARMED SERVICES
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www.warren.senate.gov

March 3, 2020

Mr. Charles W. Scharf
Chief Executive Officer and President
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Scharf:

I write to seek information on your plans to help meet the financial needs of your customers if they suffer from economic difficulties related to the spread of coronavirus disease 2019 (COVID-19). The Centers for Disease Control and Prevention (CDC) has now stated that it is likely that “widespread transmission of COVID-19 in the United States will occur.”¹ In countries where COVID-19 cases have proliferated, measures necessary to stop the spread of the illness have shaken local economies, shuttered businesses, stopped travel and trade, closed schools, and quarantined workers.

If similar measures are taken in the United States, the economic costs could be severe: many of your customers may have temporary lapses in or losses of income that will make it hard for them to pay their mortgages, credit card bills, auto loans or other consumer debts. In the past, in cases of temporary income disruptions due to natural disasters or the 2019 government shutdown you have extended flexibilities to your customers to ensure that temporary conditions do not spell long-term financial ruin. I write to understand what if any flexibilities you intend to offer your customers affected by COVID-19 and to understand how long you may be able to make those measures available, given the uncertainty around the length and the intensity of the outbreak.

This novel coronavirus, which causes COVID-19, was first detected in December 2019 in Wuhan City, China.² Since then, the disease has spread on a global scale. The World Health Organization (WHO) declared a “Public Health Emergency of International Concern” on January 30, 2020.³ The United States has confirmed over 100 domestic coronavirus cases in at least 10 states, two of which have recently issued emergency declarations.⁴ Top CDC officials have stated that they expect to see community spread of the disease and that significant disruptions to individuals’ daily lives could occur as a result.⁵

¹ Centers for Disease Control and Prevention, “Coronavirus Disease 2019 (COVID-19) Situation Summary,” February 29, 2020, <https://www.cdc.gov/coronavirus/2019-nCoV/summary.html>.

² World Health Organization, “Statement on the second meeting of the International Health Regulations (2005) Emergency Committee regarding the outbreak of novel coronavirus (2019-nCoV),” press release, January 30, 2020, [https://www.who.int/news-room/detail/30-01-2020-statement-on-the-second-meeting-of-the-international-health-regulations-\(2005\)-emergency-committee-regarding-the-outbreak-of-novel-coronavirus-\(2019-ncov\)](https://www.who.int/news-room/detail/30-01-2020-statement-on-the-second-meeting-of-the-international-health-regulations-(2005)-emergency-committee-regarding-the-outbreak-of-novel-coronavirus-(2019-ncov)).

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⁶ *Id.*

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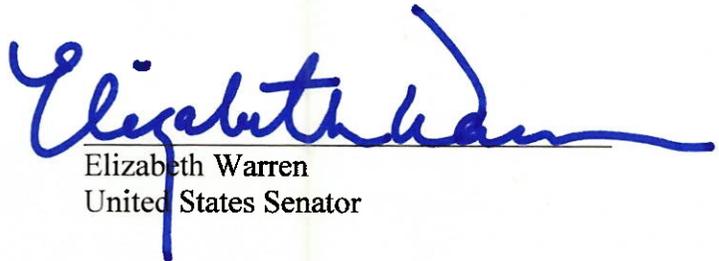
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