

III. Templates — Sample Letter for Pre-Examination Information Packet



Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection

[Name] Field Office
[Mailing Address]
[]

[Month Day, Year]

[Name]

[Title]

[Bank Name]

[Mailing Address]

[City, ST Zip]

Dear [Name]:

We are planning to conduct a [CHOOSE ONE: Consumer Compliance OR Consumer Compliance and Community Reinvestment Act (CRA)] examination of your institution in the upcoming quarter. The purpose of this letter is to provide you with information about the examination process and a list of available resources.

EXAMINATION PROCESS

Our upcoming examination will assess how your institution complies with various consumer protection laws and regulations. Examiners will evaluate your institution's compliance management system (CMS) using a risk-based approach that involves: developing a compliance risk profile of your institution's products, services, markets, organizational structure, operations, and past supervisory performance; identifying inherent risks associated with the level and complexity of your business operations; and testing selected transactions when an area has a high risk of consumer harm and CMS efforts appear weak.

Examiners will evaluate your institution using the Uniform Interagency Consumer Compliance Rating System, which is organized under three broad categories: board and management oversight, compliance program, and violations of law and consumer harm. The first two categories, board and management oversight and compliance program, are used to assess your institution's CMS. The third category, violations of law and consumer harm, includes assessment factors that evaluate the dimensions of any identified violation or consumer harm.

Examiners will also review your institution's ability to appropriately assess, measure, monitor, and control the risks associated with significant third-party relationships. Additionally, examiners will review and follow-up on violations, recommendations, and Matters Requiring Board Attention, as applicable, identified at your previous Consumer Compliance examination. Information related to the examination process, including examination procedures and definitions of consumer harm, can be found in the FDIC Consumer Compliance Examination Manual, which is available at www.fdic.gov/regulations/compliance/manual.

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[ONLY INCLUDED WHEN CRA EXAMINATION SCHEDULED: The CRA is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations. The FDIC has adopted interagency examination procedures for the following types of institutions: Small Institutions, Intermediate Small Institutions, Large Retail Institutions, Limited Purpose and Wholesale Institutions, and Institutions under Strategic Plans. More information about the CRA examination procedures and the asset size thresholds can be found at www.ffiec.gov/cra.]

Pre-Examination Interview

The Examiner-in-Charge (EIC) will conduct a pre-examination interview prior to the projected start date of your examination. The purpose of the interview is to ensure that we understand your institution's operations, as well as the products and services offered. It further allows us to tailor any information and document requests appropriately and plan for the examination efficiently.

The FDIC's approach to examinations continues to offer opportunities to conduct some examination activities off-site. During this interview, the EIC will discuss the FDIC's supervisory approach to examinations, including possible on-site and off-site activities, and the use of technology. The EIC will also coordinate how meetings will be handled, how information requests should be submitted, and how findings will be conveyed.

Enclosed is a list of the questions the EIC will use to conduct the interview. We encourage you to review these questions in advance and invite appropriate institution personnel to participate in the interview. We are not requesting that you prepare written responses to these questions. After this interview, you will receive a Compliance Information and Document Request (CIDR) to complete and return to the EIC, who will use the responses to help determine the scope of the examination. Once the EIC has determined the products, services, and regulations to review, we will provide a subsequent request for specific transactional level information.

FDICconnect and Enterprise File Exchange (EFX)

During the pre-examination interview, the EIC will discuss the methods available for exchanging examination information and will determine your willingness and ability to provide documentation electronically via FDICconnect's Enterprise File Exchange (EFX) application or alternative applications. Representatives of your institution should already have access privileges for FDICconnect. Users may access the system and the instructions at www.fdicconnect.gov. If you need assistance accessing or using FDICconnect, please e-mail FDICConnect@fdic.gov or call 877-275-3342 and select option 4.

EFX is a secure application within FDICconnect that allows FDIC-insured institutions to exchange examination-related documentation with the FDIC and State banking authorities. Users may access EFX via the EFX link in FDICconnect from the Business Center Menu under "Electronic File Transmission Options" or you may copy and paste the following link into your browser: <https://efx.fdic.gov/>. For optimal user experience, Google Chrome is the preferred browser. Additional information about EFX is provided in FIL-63-2019, which is available at <https://www.fdic.gov/news/news/financia/2019/fil19063.html>. FIL-63-2019 includes an EFX

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quick reference guide for bank users. Another resource you may find helpful is an [EFX training video available on YouTube](#). At this time, we encourage you to confirm your ability to log into FDICconnect and EFX so that you may resolve any issues well ahead of the due date for electronic file submissions. If you need assistance with EFX, please e-mail EFXProduction@fdic.gov.

Off-Site Examination Capabilities

In addition to EFX, the EIC will inquire about other technologies that may enhance our ability to conduct examination activities off-site. The four primary categories of technologies we may consider utilizing are: (1) web-based remote access applications that would allow examiners to access your imaged loan files and other documents; (2) Microsoft Teams; (3) the bank's Microsoft tenant account; and (4) third-party sharing applications. We encourage you to inform us about any available options you would like us to consider.

We also encourage you to let the EIC know during the pre-examination planning interview if your institution does not image documents or has had difficulty creating scanned images of records needed for FDIC examinations. At your request, we will lend your institution a high-speed document scanner to facilitate the creation of electronic files to upload to EFX.

REFERENCE RESOURCES

Listed below are some of the resources available to assist bank management in understanding and managing the examination process.

FDIC Website

The FDIC's website includes a Banker Resource Center to assist supervised financial institutions. In particular, www.fdic.gov/resources/bankers/ contains the following:

- *Supervisory Topics*: Information and resources to support financial institutions' safe and sound practices in the areas of consumer compliance, CRA, fair lending, third-party relationships, and more.
- *General Information*: Access to educational programs, publications, forms, financial data, and other information to support general operations of FDIC-insured financial institutions. This includes technical assistance videos, laws and regulations, minority depository institutions program information, and other useful supervisory resources.

Technical Assistance

FDIC examiners can provide you with certain types of technical assistance related to consumer compliance. Information about the technical assistance offered by the FDIC is available at www.fdic.gov/regulations/resources/director/Technical.pdf.

COMMUNICATION WITH FDIC

We strive to maintain open communication throughout the examination process. Ongoing

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communication between the examination staff and bank management is a critical element of effective bank supervision. We encourage all Board members to participate with bank management in the examination process, which can provide an opportunity to discuss compliance-related banking matters.

Your institution is supervised by the [Name] Field Office, which is part of the FDIC's [Name] Region. The EIC is your primary point of contact; however, if you wish to provide feedback or have concerns during the examination, we encourage you to contact the Field Supervisor, Supervisory Examiner, or Regional Office. In the event these efforts are not successful, you may contact the Division Director at DirectorDCP@fdic.gov. The FDIC provided this communication channel to FDIC-supervised institutions in FIL-51-2016, which is available at www.fdic.gov/news/news/financial/2016/fil16051.html.

FDIC Office of the Ombudsman

The FDIC Office of the Ombudsman is a confidential, neutral, and independent source of information and assistance to anyone affected by the FDIC in its regulatory, resolution, receivership, or asset disposition activities. If you have concerns about your interactions with the FDIC, you may contact them with questions. Information about the Office of the Ombudsman is available at www.fdic.gov/regulations/resources/ombudsman/.

At the end of the examination, you will receive a Post-Examination Survey from the Office of the Ombudsman. We encourage financial institutions to provide feedback on the examination process, Report of Examination, and other supervisory processes by completing this survey. Your feedback is confidential and responses are not attributable to your institution unless you specifically request follow-up from FDIC senior leadership. Honest and candid feedback helps ensure the FDIC's supervisory programs are fair, balanced, and objective.

FDIC Appeals Process

If disagreements or other concerns arise, we encourage bank management to communicate their concerns with the EIC, field office management, or the appropriate regional office staff. Division-level informal reviews are also available. If informal efforts to resolve disagreements are not successful, you may pursue a formal request as explained in the Supervision Appeals Review Committee (SARC) Guidelines available at www.fdic.gov/regulations/laws/sarc/sarcguidelines.html.

If you have questions regarding the information in this letter, please contact me at [phone number] or through e-mail at [e-mail address].

Sincerely,

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[Name]
[Title]

Enclosure: Pre-Examination Interview Questions

cc: [State Banking Authority]
[Federal Reserve Bank District, if applicable]
[Consumer Financial Protection Bureau, if applicable]