

Fostering Communication A Success Story

Office of the Ombudsman

FDIC



Background Information

Regulatory examination – first quarter of 2019

Multi-billion institution

Long history of satisfactory ratings

Disagreement

Examination Report cited a violation that management disagreed with during the exam

Management asserted that State law provided an alternative to the issue and the bank was operating within those parameters

EIC's findings on the violation were supported by the Field Supervisor, reviewing examiner, and ARD

Ombudsman as Intermediary

Bank received the Report and contacted the Regional Ombudsman to discuss options for handling the disagreement

The Regional Ombudsman encouraged continued dialogue with the Regional Office and was asked to review the bank's draft response letter before it was sent to the Regional Office

The impacted division immediately contacted the Regional Ombudsman and provided updates throughout the review process

Outcome

FDIC Legal staff confirmed that state law provided safe harbor

Bank decision to follow State law did not constitute a violation

Revised Report issued with the disputed violation removed

Lessons Learned

