FDIC

Field Office Street, City, ST 12345 Division of Depositor and Consumer Protection

Date

President xxx xxxx

Bank Name

Street Address

City, ST 12345

RE: Compliance Pre-Examination Information Packet

Dear Mr. xxx:

A [CHOOSE ONE: Compliance examination or Compliance and Community Reinvestment Act (CRA) examination] of your institution is tentatively scheduled for the upcoming quarter. The Examiner-in-Charge will contact you to schedule a pre-examination interview. In the interim, this letter: explains our examination process; references available resources to you; identifies other avenues to contact to ensure our process is fair; and provides supervisory contact information.

EXAMINATION PROCESS

Your upcoming examination will review how your bank complies with various consumer protection laws and regulations and/or the CRA. Examiners will evaluate the bank's Compliance Management System (CMS), which is comprised of three main elements: board and management oversight, the compliance program, and compliance audit.

- Board and management oversight is evaluated by determining the level of attention and oversight the Board and senior management give to compliance-related responsibilities and the administration of the CMS.
- The compliance program is evaluated by assessing your bank's policies and procedures, training, monitoring, and response to consumer complaints. This includes a review of the bank's processes applicable to federal consumer protection laws and third-party relationships.
- The compliance audit, if applicable, will be evaluated on its effectiveness in identifying strengths or weaknesses in the bank's CMS.

Additionally, examiners will review and follow up on deficiencies and recommendations from the last Compliance examination.

The pre-examination interview is used to ensure that we understand your institution's operations and products and services offered. It further allows us to tailor our information request appropriately, plan for the examination in advance, and efficiently use the on-site examination time. Enclosed in this package are the pre-examination interview questions the EIC will use to conduct the interview. We encourage you to review these questions in advance and invite appropriate persons to participate so the pre-examination interview is productive and efficient. Written responses to these questions are not necessary.

We encourage outside directors to attend examination meetings with management and examiners. Communication with outside directors can increase their knowledge of our examination process and provide an opportunity to discuss compliance-related banking matters.

REFERENCE RESOURCES

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

FDIC Website

- *Consumer Regulations* - The FDIC's website has several resources that you may find useful. In particular, http://www.fdic.gov/regulations contains:
  - Laws and Regulations
  - Financial Institution Letters
  - Bank Examination Manuals (under the Bank Examinations tab; then scroll down for CRA and Compliance information)
  - Supervisory Insights (under the Bank Examinations tab), the FDIC's periodical on supervisory and emerging issues.
- *Regulatory Calendar* - includes important dates and summary information for new and proposed regulations and guidance and is available at http://www.fdic.gov/regulations/resources/cbi/calendar.html.
- ***Director's Resource Center*** - a special section of the FDIC's website that is dedicated to providing useful information and resources for directors and officers of FDIC-insured institutions. This section focuses on guidance and other information that address current issues faced by the banking industry and is available at http://www.fdic.gov/regulations/resources/director/index.html.

Technical Assistance

FDIC examiners can provide bankers with certain types of technical assistance related to consumer compliance. A list of the types of technical assistance available from FDIC is contained in the enclosed brochure entitled *Technical Assistance for Managing Consumer Compliance Responsibilities*.

COMMUNICATION WITH FDIC

The FDIC is committed to using a fair, balanced, and objective supervisory process. We strive to have open communication throughout the examination process. 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 the 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-13-2011 and a copy is attached.

FDIC Post-Examination Survey

At the end of the examination, you will receive a Post-Examination Survey. 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 results are not attributable to your institution (unless you specifically request follow-up from FDIC senior leadership). Honest and candid feedback helps ensure that the FDIC's supervisory programs are fair, balanced, and objective.

FDIC 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. Refer to the enclosed *FDIC Office of Ombudsman* brochure for more contacts and more information.

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. If these efforts to resolve disagreements are not successful, you may pursue a formal request as explained in the enclosed *Appeals of Material Supervisory Determinations.*

SUPERVISORY INFORMATION

Your bank is supervised by the City Field Office, which is part of the FDIC's XXX Region. If you have questions regarding the Compliance examination process, please contact me at phone number.

Sincerely,

Name

Field Supervisor or Supervisory Examiner

Enclosures:

Pre-Examination Interview Questions

Technical Assistance for Managing Consumer Compliance Responsibilities Brochure

FIL-13-2011

FDIC Office of the Ombudsman Brochure

Supervisory Appeals Review Committee Brochure