Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Field Office
Street
City, ST 00000

Xxx XX, 2015

President
Bank Name
Street Address
City, ST 12345

RE: Compliance Pre-Examination Information Packet

Dear Mr./Ms. 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 purpose of this letter is to introduce you to the examination process and provide you with additional available resources.

EXAMINATION PROCESS
Your upcoming examination will review how your bank complies with various consumer protection laws and regulations and/or the CRA. The examination will be tailored to your bank's risk profile and focused on reviewing risks of potential consumer harm. Information, including examination procedures and definitions of consumer harm, can be found in the FDIC Compliance Examination Manual, which is publicly available on our agency's website. The section of the manual addressing consumer harm can be found at https://www.fdic.gov/regulations/compliance/manual/2/II-2.1.pdf.

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.

A pre-examination interview will be conducted approximately 60 days prior to the on-site portion of your examination. The interview is used to ensure that we understand your institution's operations, products, and services offered. It further allows us to tailor our information request appropriately, plan for the examination in advance, and efficiently use our resources while onsite.

Enclosed in this package are the pre-examination interview questions the Examiner-in-Charge (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 requested.

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* - This 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.
- *Technical Assistance Videos* - The Technical Assistance Video Program is a series of educational videos designed to provide useful information to bank directors, officers, and employees on areas of supervisory focus and regulatory change. These videos are available at https://www.fdic.gov/regulations/resources/director/video.html.
- *Director's Resource Center* - There is a special section of the FDIC's website 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

The City Field Office supervises your bank, which is part of the FDIC's XXXX Region. If you have questions regarding the Compliance examination process, please contact me at phone number, ext. XXX.

Sincerely,

Name

Field Supervisor or Supervisory Examiner

Enclosures:

Pre-Examination Interview Questions and Cover Page
Technical Assistance for Managing Consumer Compliance Responsibilities Brochure
FIL-13-2011- Reminder on FDIC Examination Findings
FDIC Office of the Ombudsman Brochure
Supervisory Appeals Review Committee Brochure