FDIC Fair Lending Scope and Conclusions Memorandum

General Instructions

All fair lending reviews will be conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Fair Lending Examination Procedures and documented using the Fair Lending Scope and Conclusions memorandum (FLSC). The FLSC contains a series of questions and Examiner Summary sections to document fair lending risk assessments and conclusions. The questions provided are not intended to cover every potential risk, but set out a basic framework to assist an examiner in assessing and documenting the fair lending risk of the institution. Examiners should provide additional explanation and support for these assessments, as necessary, in the Examiner Summary sections in the FLSC. The discrimination risk factors set forth in the FFIEC Fair Lending Examination Procedures are provided in the appendix.

Section 1: Develop an Institutional Overview

Institution and Examination Information

Bank Name: 14T		
City: 14T	**State:**	**Region:**
Cert Number: 14T		
Total Assets: 14T	**Assets as-of Date:** 14T	
Start Date of Examination: 14T	**Compliance Only (no CRA evaluation):**	
Date of Previous Compliance Examination: 14T	**Previous Compliance Rating:**	
Date of Previous CRA Evaluation: 14T	**Previous CRA Evaluation Rating:**	
EIC Name: 14T	**FL Examiner Name:** 14T	

Structure and Management

Structure and Management	Response
Has the bank had any merger or acquisition activity since the previous compliance examination?	
Does the bank have any subsidiaries or affiliates that offer credit products or services?	
Has the bank opened or closed any branches or offices since the previous compliance examination?	
Have there been changes in the bank's compliance management system as it relates to fair lending since the previous compliance examination?	
Have there been changes in senior management since the previous compliance examination?	
Does the bank perform any monitoring for fair lending compliance?	
Does the bank perform any fair lending risk assessments?	
Does the bank have third party relationships that present fair lending risk (e.g., brokers, dealers, etc.)?	

Examiner Summary:

- *Summarize pertinent details about the institution's structure, organizational hierarchy, and lending subsidiaries or affiliates that present fair lending risks. Include any lending relationships, such as indirect lending, broker arrangements, or other third party relationships that present fair lending risks.*

- *Describe the institution's compliance management system as it relates to fair lending (e.g., training, audits, and monitoring) and highlight any changes in the program since the previous examination.*
- *Describe any recent merger or acquisition activity, if applicable.*
- *Describe any fair lending risks relating to the bank's structure or management.*

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Supervisory History

Supervisory History	Response
Has the bank received any fair lending-related complaints since the previous examination?	
Has the bank engaged in any fair lending litigation since the previous examination?	
Were any fair lending findings or recommendations made at (or since) the previous examination?	

Examiner Summary:

- *Assess and describe the institution's recent supervisory history, fair lending-related complaints, and any litigation related to discrimination.*
- *Describe the scope of the previous fair lending review, including any findings, violations, or recommendations.*
- *Describe any fair lending risks relating to the bank's supervisory history.*

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Loan Portfolio

Loan Portfolio	Response
Has the bank introduced any new loan products or stopped offering any loan products since the previous examination?	
Does the bank offer nontraditional or alternative mortgage products with the potential for consumer harm such as interest-only mortgages, option ARMs, negative amortization mortgages, mortgages with prepayment penalties, reverse mortgages, etc.?	
Does the bank offer subprime consumer loan products?	
Does the bank operate a Special Purpose Credit Program (as defined by Regulation B)?	
Does the bank offer loss mitigation or loan modification programs?	
Has the bank experienced significant growth in any particular loan product type?	

Examiner Summary:

- *Assess the bank's product offerings and summarize pertinent details regarding the bank's loan portfolio and loan growth since the previous compliance examination.*
- *Discuss any aspect of the bank's lending volume or growth, as well as any secondary market activity or loan servicing efforts, which may present fair lending risk.*
- *Describe any fair lending risks relating to the bank's loan portfolio.*

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Credit and Market Operations

Underwriting	**Response**
Does the bank have a written loan policy that addresses underwriting?	
Does a review of the bank's written policies raise any overt or other potential fair lending concerns with respect to underwriting?	
Does the bank allow discretion in residential real estate loan underwriting?	
Does the bank allow discretion in consumer loan underwriting?	
Is loan decision-making centralized?	
Is guidance regarding underwriting criteria absent, vague, or subjective?	
Do underwriting systems, decisions, or programs vary by product or lending channel?	
Does the bank use an automated system for credit underwriting?	
Are overrides of the automated underwriting system credit decisions allowed?	
Does the bank track and monitor exceptions to underwriting criteria?	
Does the bank conduct secondary reviews of loan denials (i.e., someone conducts a second review of a loan application before it is officially denied)?	
Have the underwriting criteria for any product changed since the previous compliance examination?	
Has the underwriting process for any product changed since the previous compliance examination?	

Examiner Summary:

- *Describe the bank's method of underwriting (e.g., centralized, decentralized, manual, automated, etc.) noting whether discretion is permitted, how guidance is provided to lending staff, and how discretion is monitored.*
- *Describe any differences by lending channel or subsidiary.*
- *Describe any fair lending risks relating to the bank's underwriting practices.*

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Pricing	Response
Does the bank have a written loan policy that addresses pricing?	
Does a review of the bank's policies raise any overt or other potential fair lending concerns with respect to pricing?	
Does the bank provide loan officers with a rate sheet, matrix, or written guidance for pricing loans?	
Does the bank allow discretion in the setting of loan terms and conditions (including interest rates or fees) for residential real estate lending?	
Does the bank allow discretion in the setting of loan terms and conditions (including interest rates or fees) for consumer lending?	
Does the bank track and monitor loan and pricing exceptions?	
Are loan officers compensated based on pricing of loans?	
Are controls in place to ensure consistency in pricing practices?	
Do credit pricing systems or processes vary by product or lending channel?	
For indirect lending relationships, are dealers allowed to add a margin/overage to the bank's buy rate?	
If the dealer is allowed margins/overages, does the bank retain a share?	
Does the bank's pricing vary by region, office, or branch?	
Has the pricing process for any loan product changed since the previous compliance examination?	

Examiner Summary:

- *Describe the bank's method of pricing loans, noting whether discretion is permitted, how guidance is provided to lending staff, and how discretion is monitored.*
- *Describe how rates and fees are established and whether they are documented in the bank's policies and procedures.*
- *Describe any differences by lending channel or subsidiary (if applicable).*
- *Describe any fair lending risks relating to the bank's pricing practices.*

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Steering	Response

Does the bank offer similar credit products through more than one area of the bank (e.g., mortgage loans are originated in a retail division and also in a mortgage division)?	
Does the bank have a lending subsidiary or affiliate that offers similar credit products that are also offered by the bank?	
Does the bank both sell loans on the secondary market and hold other mortgage loans for its portfolio?	
Can an application denied by one area of the bank or by a subsidiary/affiliate be referred to another?	
Does the bank have a process to instruct loan officers on how to inform prospective applicants regarding the various loan products and options?	

Examiner Summary:

- *If products are offered in more than one unit or division of the bank, describe how applications are routed through each.*
- *If the bank and a mortgage subsidiary or affiliate offers similar products, describe how applications are routed through each, and whether applications are referred from one to the other.*
- *Describe any fair lending risks relating to the bank's lending channels or steering risks in general.*

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Marketing	Response
Does the bank have a credit marketing plan?	
Does the bank review marketing plans and advertisements for fair lending compliance?	
Do any of the bank's marketing efforts focus on a specific product or market area?	

Examiner Summary:

- *Describe the institution's credit marketing efforts and types of mediums (e.g., print, television, radio, social media, etc.).*
- *Describe any targeted efforts that focus on particular geographies or segments of the institution's market.*
- *Describe any fair lending risks relating to the bank's marketing efforts.*

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Redlining	Response
Does the bank's CRA assessment area or market area contain census tracts with relatively high concentrations of minority group residents?	
Does the area surrounding the bank's CRA assessment area or market area include geographies with relatively high concentrations of minority group residents?	
Is the bank's CRA assessment area smaller than a whole political subdivision (e.g., county, state, MSA)?	
Is the bank's market or trade area different than its CRA assessment area?	
Have there been any changes to the bank's market area since the previous examination?	
Have there been any changes to the bank's CRA assessment area since the previous examination?	
Do services, loan products, or hours of operation vary by branch or office location?	
Does the bank have branches or offices in or near minority geographies?	

Examiner Summary:

- *Describe the makeup of the institution's CRA assessment area and market area (e.g., high poverty levels, large Hispanic population, Indian reservation, geographic racial and ethnic composition, etc.). If applicable, describe any changes to the CRA assessment area or market area since the previous examination.*
- *If the institution's market area differs from its CRA assessment area explain how.*
- *If applicable, explain why the CRA assessment area is smaller than a whole political subdivision.*
- *If applicable, describe differences in hours, products, or services by office location.*
- *Describe any fair lending risks relating to the bank's market area and CRA assessment area.*

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Section 1 Checkpoint: ***Based on the facts, data, and analysis conducted in the Institutional Overview, does the institution exhibit minimal fair lending risk?***

- ***Yes – Complete Section 5 – "Fair Lending Analysis and Conclusions" and summarize the basis for not selecting any***

products for further review. Provide the FLSC to the Field Supervisor or designee for approval.

- ***No – Determine what product(s) or product group(s) warrant further review and proceed to Section 2 – "Identification of Discrimination Risk Factors."***
- ***Note, if significant information is noted during the review that alters the information captured in Section 1 after Field Supervisor/designee approval, document changes in Section 4 – "Scope Addendum."***

Section 2: Identification of Discrimination Risk Factors

Examiner Summary:

- *Identify each product or product group (e.g., residential real estate, consumer, and commercial loans) selected for further analysis and explain the reason for selecting such product(s) for further review.*
- *Complete a table, which summarizes the discrimination risk factors (refer to Appendix A) for each product or product group. If there are risks for individual products within a broader group (e.g., consumer unsecured vs. automobile loans), complete a table for each applicable loan product.*

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Complete a chart for each product or product group being considered in the scoping process.

Product:	**Description if "Other":** 14T			
Potential Discrimination Risk Indicators:	**Discrimination Risk Factors (click on 'O' for all applicable):**		**Support for Risk Factors (if any):**	**Mitigating Factors (if any):**
Compliance Program Risk Factors (C1 – C7)	C1: O C2: O C3: O C4: O	C5: O C6: O C7: O	14T	14T
Overt Indicators of Discrimination (O1-O5)	O1: O O2: O O3: O	O4: O O5: O	14T	14T
Underwriting Risk Factors (U1-U9)	U1:O U2: O U3: O U4: O U5: O	U6: O U7: O U8: O U9: O	14T	14T
Pricing Risk Indicators (P1-P7)	P1: O P2: O P3: O P4: O	P5: O P6: O P7: O	14T	14T
Steering Risk Factors (S1-S8)	S1: O	S5: O	14T	14T

	S2: O S3: O S4: O	S6: O S7: O S8: O		
Redlining Risk Factors (R1-R12)	R1: O R2: O R3: O R4: O R5: O R6: O	R7: O R8: O R9: O R10: O R11: O R12: O	14T	14T
Marketing Risk Factors (M1-M7)	M1: O M2: O M3: O M4: O	M5: O M6: O M7: O	14T	14T

Product:	**Description if "Other":** 14T			
Potential Discrimination Risk Indicators:	**Discrimination Risk Factors (click on 'O' for all applicable):**		**Support for Risk Factors (if any):**	**Mitigating Factors (if any):**
Compliance Program Risk Factors (C1 – C7)	C1: O C2: O C3: O C4: O	C5: O C6: O C7: O	14T	14T
Overt Indicators of Discrimination (O1-O5)	O1: O O2: O O3: O	O4: O O5: O	14T	14T
Underwriting Risk Factors (U1-U9)	U1: O U2: O U3: O U4: O U5: O	U6: O U7: O U8: O U9: O	14T	14T
Pricing Risk Indicators (P1-P7)	P1: O P2: O	P5: O P6: O	14T	14T

	P3: O P4: O	P7: O		
Steering Risk Factors (S1-S8)	S1: O S2: O S3: O S4: O	S5: O S6: O S7: O S8: O	14T	14T
Redlining Risk Factors (R1-R12)	R1: O R2: O R3: O R4: O R5: O R6: O	R7: O R8: O R9: O R10: O R11: O R12: O	14T	14T
Marketing Risk Factors (M1-M7)	M1: O M2: O M3: O M4: O	M5: O M6: O M7: O	14T	14T

Product:	**Description if "Other":** 14T			
Potential Discrimination Risk Indicators:	**Discrimination Risk Factors (click on 'O' for all applicable):**		**Support for Risk Factors (if any):**	**Mitigating Factors (if any):**
Compliance Program Risk Factors (C1 – C7)	C1: O C2: O C3: O C4: O	C5: O C6: O C7: O	14T	14T
Overt Indicators of Discrimination (O1-O5)	O1: O O2: O O3: O	O4: O O5: O	14T	14T
Underwriting Risk Factors (U1-U9)	U1: O U2: O U3: O U4: O	U6: O U7: O U8: O U9: O	14T	14T

	U5: O			
Pricing Risk Indicators (P1-P7)	P1: O P2: O P3: O P4: O	P5: O P6: O P7: O	14T	14T
Steering Risk Factors (S1-S8)	S1: O S2: O S3: O S4: O	S5: O S6: O S7: O S8: O	14T	14T
Redlining Risk Factors (R1-R12)	R1: O R2: O R3: O R4: O R5: O R6: O	R7: O R8: O R9: O R10: O R11: O R12: O	14T	14T
Marketing Risk Factors (M1-M7)	M1: O M2: O M3: O M4: O	M5: O M6: O M7: O	14T	14T

Examiner Summary:

- *If necessary, provide additional explanation or support for the risk factors or mitigating factors identified above.*

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Section 2 Checkpoint: ***Based on the identified discrimination risks for each product evaluated, is further review necessary within one or more product lines?***

- ***Yes – Complete Section 3 – "Description of Focal Points" and obtain Field Supervisor or designee approval to proceed with review of focal point(s).***
- ***No – Complete Section 5 – "Fair Lending Analysis and Conclusions" and summarize the basis for not selecting any products for further review. Provide the FLSC to the Field Supervisor or designee for approval.***
- ***Note, if significant information is noted during the review that alters the information captured in Section 2 after Field Supervisor/designee approval, document the changes in Section 4 – "Scope Addendum."***

Section 3: Description of Focal Points

Analysis (e.g., pricing)	Product (e.g., consumer unsecured)	Market (e.g., one MSA or all areas)	Decision Center (e.g., all branches)	Prohibited Basis/Control and Target Groups Tested (e.g., male versus female)	Sample Size (Target and Control Group)
14T	14T	14T	14T	14T	14T
14T	14T	14T	14T	14T	14T
14T	14T	14T	14T	14T	14T

Examiner Summary:

- *Explain the basis for selecting the product(s) identified above as a focal point that warrant further review.*

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Field Supervisor/Designee Approval (**Approval Necessary Only if Focal Point(s) Selected**):

- *Field Supervisor/designee will confirm approval by entering name and approval date.*
- *Field Supervisor/designee approval may provide additional comments or notes.*

Field Supervisor/Designee Name: 14T

Date of Approval: 14T

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Section 4: Scope Addendum

Examiner Summary:

- *The information captured in Sections 1 through 3 should not be changed after approval by the Field Supervisor or designee.*
- *If significant information is noted during the on-site review that alters the scope or focal point selection, summarize that information and the resulting change in this section.*
- *Include sufficient information to explain the basis for the change.*

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Field Supervisor/Designee Approval (**Approval Necessary Only if Scope Addendum Completed**):

- *Field Supervisor/designee will confirm approval by entering name and approval date.*

- *Field Supervisor/designee approval may provide additional comments or notes.*

Field Supervisor/Designee Name: 14T

Date of Approval: 14T

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Section 5: Fair Lending Analysis and Conclusions

Conclusion	Response
Did the examiner provide recommendations to bank management for correcting a fair lending violation(s)?	
Did the examiner provide recommendations to enhance the bank's compliance management system as it relates to fair lending?	
Was a practice or pattern of discrimination violation cited in the report of examination?	
Was an isolated violation of discrimination cited in the report of examination?	

Examiner Summary:

- *Summarize the overall conclusions of the fair lending review and describe any recommendations or findings.*
- *Describe mitigating factors used to eliminate potential focal points.*
- *Summarize the steps taken to perform the focal point review, if applicable.*
- *Include any considerations for the next examination.*

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Field Supervisor/Designee Approval:

- *Field Supervisor/designee will confirm approval by entering name and approval date.*
- *Field Supervisor/designee approval may provide additional comments or notes.*

Field Supervisor/Designee Name: 14T

Date of Approval: 14T

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Appendix A – FFIEC Interagency Fair Lending Examination Procedures – Discrimination Risk Factors

Compliance Program Discrimination Risk Factors	Overt Indicators of Discrimination	Indicators of Potential Disparate Treatment in Underwriting	Indicators of Potential Disparate Treatment in Pricing	Indicators of Potential Disparate Treatment by Steering	Indicators of Potential Discriminatory Redlining	Indicators of Potential Disparate Treatment in Marketing
C1. Overall institution compliance record is weak. C2. Prohibited basis monitoring information required by applicable laws and regulations is nonexistent or incomplete. C3. Data and/or recordkeeping problems compromised reliability of previous examination reviews. C4. Fair lending problems were previously found in one or more institution products or in institution subsidiaries. C5. The size, scope, and quality of the compliance management program, including senior management's involvement, designation of a compliance officer, and staffing is materially inferior to programs customarily found in institutions of similar size, market demographics and credit complexity. C6. The institution has not updated compliance policies and procedures to reflect changes in law or in agency guidance. C7. Fair lending training is nonexistent or weak.	O1. Including explicit prohibited basis identifiers in the institution's written or oral policies and procedures (underwriting criteria, pricing standards, etc.). O2. Collecting information, conducting inquiries or imposing conditions contrary to express requirements of Regulation B. O3. Including variables in a credit scoring system that constitute a basis or factor prohibited by Regulation B or, for residential loan scoring systems, the FHAct. (If a credit scoring system scores age, refer to *Part E* of the *Considering Automated Underwriting and Credit Scoring* section of the Appendix.). O4. Statements made by the institution's officers, employees or agents which constitute an express or implicit indication that one or more such persons have engaged or do engage in discrimination on a prohibited basis in any aspect of a credit transaction. O5. Employee or institutional statements that evidence attitudes based on prohibited basis prejudices or stereotypes.	U1. *Substantial disparities among the approval/denial rates for applicants by monitored prohibited basis characteristic (especially within income categories). U2. *Substantial disparities among the application processing times for applicants by monitored prohibited basis characteristic (especially within denial reason groups). U3. *Substantially higher proportion of withdrawn/incomplete applications from prohibited basis group applicants than from other applicants. U4. Vague or unduly subjective underwriting criteria. U5. Lack of clear guidance on making exceptions to underwriting criteria, including credit scoring overrides. U6. Lack of clear loan file documentation regarding reasons for any exceptions to standard underwriting criteria, including credit scoring overrides. U7. Relatively high percentages of either exceptions to underwriting criteria or overrides of credit score cutoffs. U8. Loan officer or broker compensation based on loan volume (especially loans approved per period of time). U9. Consumer complaints alleging discrimination in loan processing or in approving/denying residential loans.	P1. Financial incentives for loan officers or brokers to charge higher prices (including interest rate, fees and points). Special attention should be given to situations where financial incentives are accompanied by broad pricing discretion (as in P2), such as through the use of overages or yield spread premiums. P2. Presence of broad discretion in loan pricing (including interest rate, fees and points), such as through overages, underages or yield spread premiums. Such discretion may be present even when institutions provide rate sheets and fees schedules, if loan officers or brokers are permitted to deviate from those rates and fees without clear and objective criteria. P3. Use of risk-based pricing that is not based on objective criteria or applied consistently. P4. *Substantial disparities among prices being quoted or charged to applicants who differ as to their monitored prohibited basis characteristics. P5. Consumer complaints alleging discrimination in residential loan pricing. P6. *In mortgage pricing, disparities in the incidence or rate spreads of higher-priced lending by prohibited basis characteristics as reported in the HMDA data. P7. *A loan program that contains only borrowers from a prohibited basis group, or has significant differences in the percentages of prohibited basis groups, especially in the absence of a Special Purpose Credit Program under ECOA.	S1. Lack of clear, objective and consistently implemented standards for (i) referring applicants to subsidiaries, affiliates, or lending channels within the institution (ii) classifying applicants as "prime" or "sub-prime" borrowers, or (iii) deciding what kinds of alternative loan products should be offered or recommended to applicants (product placement). S2. Financial incentives for loan officers or brokers to place applicants in nontraditional products (i.e., negative amortization, "interest only", "payment option" adjustable rate mortgages) or higher cost products. S3. For an institution that offers different products based on credit risk levels, any significant differences in percentages of prohibited basis groups in each of the alternative loan product categories. S4. *Significant differences in the percentage of prohibited basis applicants in loan products or products with specific features relative to control group applicants. Special attention should be given to products and features that have potentially negative consequences for applicants (i.e., non-traditional mortgages, prepayment penalties, lack of escrow requirements, or credit life insurance). S5. *For an institution that has one or more sub-prime mortgage subsidiaries or affiliates, any significant differences, by loan product, in the percentage of prohibited basis applicants of the institution compared to the percentage of prohibited basis applicants of the subsidiary(ies) or affiliate(s). S6. *For an institution that has one or more lending channels that originate the same loan product, any significant differences in the percentage of prohibited basis applicants in one of the lending channels compared to the percentage of prohibited basis applicants of the other lending channel. S7. Consumer complaints alleging discrimination in residential loan pricing or product placement. S8. *For an institution with sub-prime mortgage subsidiaries, a concentration of those subsidiaries' branches in minority areas relative to its other branches.	R1. *Significant differences, as revealed in HMDA data, in the number of applications received, withdrawn, approved not accepted, and closed for incompleteness or loans originated in those areas in the institution's market that have relatively high concentrations of minority group residents compared with areas with relatively low concentrations of minority residents. R2. *Significant differences between approval/denial rates for all applicants (minority and non-minority) in areas with relatively high concentrations of minority group residents compared with areas with relatively low concentrations of minority residents. R3. *Significant differences between denial rates based on insufficient collateral for applicants from areas with relatively high concentrations of minority residents and those areas with relatively low concentrations of minority residents. R4. * Significant differences in the number of originations of higher-priced loans or loans with potentially negative consequences for borrowers, (i.e., non-traditional mortgages, prepayment penalties, lack of escrow requirements) in areas with relatively high concentrations of minority residents compared with areas with relatively low concentrations of minority residents. R5. Other patterns of lending identified during the most recent CRA examination that differ by the concentration of minority residents. R6. Explicit demarcation of credit product markets that excludes MSAs, political subdivisions, census tracts, or other geographic areas within the institution's lending market or CRA assessment areas and having relatively high concentrations of minority residents. R7. Difference in services available or hours of operation at branch offices located in areas with concentrations of minority residents when compared to branch offices located in areas with concentrations of non-minority residents. R8. Policies on receipt and processing of applications, pricing, conditions, or appraisals and valuation or on any other aspect of providing residential credit that vary between areas with relatively high concentrations of minority residents and those areas with relatively low concentrations of minority residents. R9. The institution's CRA assessment area appears to have been drawn to exclude areas with relatively high concentrations of minority residents. R10. Employee statements that reflect an aversion to doing business in areas with relatively high concentrations of minority residents. R11. Complaints or other allegations by consumers or community representatives that the institution excludes or restricts access to credit for areas with relatively high concentrations of minority residents. Examiners should review complaints against the institution filed either with their agency or the institution; the CRA public comment file; community contact forms; and the responses to questions about redlining, discrimination, and discouragement of applications, and about meeting the needs of racial or national origin minorities, asked as part of obtaining local perspectives on the performance of financial institutions during prior CRA examinations. R12. An institution that has most of its branches in predominantly non-minority neighborhoods at the same time that the institution's sub-prime mortgage subsidiary has branches which are located primarily in predominantly minority neighborhoods.	M1. Advertising patterns or practices that a reasonable person would believe indicate prohibited basis customers are less desirable. M2. Advertising only in media serving non-minority areas of the market. M3. Marketing through brokers or other agents that the institution knows (or has reason to know) would serve only one racial or ethnic group in the market. M4. Use of marketing programs or procedures for residential loan products that exclude one or more regions or geographies within the institutions assessment or marketing area that have significantly higher percentages of minority group residents than does the remainder of the assessment or marketing area. M5. Using mailing or other distribution lists or other marketing techniques for pre-screened or other offerings of residential loan products that: • Explicitly exclude groups of prospective borrowers on a prohibited basis; or • Exclude geographies (e.g., census tracts, ZIP codes, etc.) within the institution's marketing area that have significantly higher percentages of minority group residents than does the remainder of the marketing area. M6. *Proportion of prohibited basis applicants is significantly lower than that group's representation in the total population of the market area. M7. Consumer complaints alleging discrimination in advertising or marketing loans.

NOTE: For risk factors above that are marked with an asterisk (*), examiners need not attempt to calculate the indicated ratios for racial or national origin characteristics when the institution is not a HMDA reporter. However, consideration should be given in such cases to whether or not such calculations should be made based on gender or racial- ethnic surrogates.