



The Ten Most Common Violations in the Tenth District

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Common Compliance Violations

Consumer Compliance Violations

Two states in the 10th District (Wyoming and Oklahoma) are exempt from Chapters 2 and 5 of the Federal Truth in Lending Act, and applicable portions of Regulations M and Z. The results of the list may be skewed due to these exemptions.

Violations of Law Most Frequently Identified in 2019 Examinations

Regulation	Violation	% of Banks
Regulation B	Failure to record and retain documentation evidencing applicants' intent to apply for joint credit. Failure to notify applicant within 30 days of completed application of approval, counteroffer or adverse action.	64%
HMDA	Incorrect data reporting	41%
Regulation Z	Inaccurate disclosure of APR	23%
FCRA	Failure to notify the use of credit report in adverse action	9%

Of the 45 consumer compliance examinations conducted in 2019, violations of law were identified in 22 (49%) of the banks examined.

Consumer Compliance Program Weakness

Most commonly identified areas of weakness in the compliance management programs of Banks within the 10th District.

Compliance Management System Weakness Most Identified in 2019

Fair Lending	Underwriting and pricing discretion, managing redlining risk	76%
Board and Management Oversight	Resources devoted to managing compliance risk, lack of adequate compliance risk awareness	35%
Address Violations of Law and Consumer Harm	Regulation B/Regulation V/HMDA	18%
Inadequate Risk Monitoring Practices & Compliance	Testing/Audit	6%

Of the 45 consumer compliance examinations conducted in 2019, 17 resulted in supervisory follow-up.
