

The Exam Process - Are You Ready?

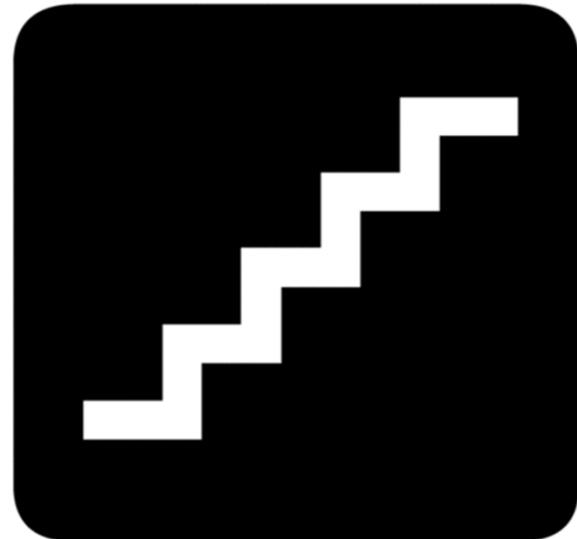


Objectives

- Understand examination steps
- Understand what CRA Officers can do to prepare for examinations

Examination Steps

- 4 Months in Advance
 - Bank notification
 - Data request
- 3 Months in Advance
 - Data verification
 - Request letter



amination Steps

2 Months in Advance

- Review requested information
- Review AA

1 Month in Advance

- Income requests
- Community contacts
- Develop performance context
- Compile market share/competitor information

Examination Steps

Pre-examination Week

- Loan data analysis

Examination Week

- Review investments, services, and CD loans
- Confirm analysis
- Review public file
- Meet with bank management

Examination Steps

Post-examination

- Draft Public Evaluation
- Mail Public Evaluation
- Publish Public Evaluation

A Officer Examination Preparation

Obtain board and management support

Employ team approach

- CRA performance is NOT the responsibility of one person

Train staff

Define staff roles/responsibilities re: CRA



A Officer Examination Preparation

Know your bank's assessment area (AA)

Document your performance context

- Environment in which the bank operates
- Information regarding:
 - Bank
 - Product offerings
 - Business strategy
 - Capacity
 - Constraints
 - Prior performance



A Officer Examination Preparation

- Information regarding:
 - Community
 - Economic and demographic data of AA
 - Lending, service and investment opportunities
 - Competitors
 - Peers



Develop system to capture qualified investments, community development loans and services

A Officer Examination Preparation

- Understand CRA test requirements
- Perform a self-assessment (not required)
- Keep board and management informed
- Establish examination contact
- Review/ respond to Request Letter
- Ask questions
- Take a vacation!



u Will Be Ready!

