

MEMORANDUM

To: Our Valued Customers

From: Sheshunoff Information Services

Subject: *Bank Data Processing Policies and Procedures*

Thank you for your order for *Bank Data Processing Policies and Procedures*. This manual provides detailed data processing policies and procedures, as well as policy language to address recently issued regulatory requirements. Elements of various policy statements and related procedures parallel regulations that impact financial institutions, and thereby, the enhanced language assists the board of directors and senior management in complying with regulatory requirements.

Strengthening operational controls. The focus on operational controls and the existence of identified control procedures is a growing area of interest in various organizations including financial institutions. Without a concerted corporate governance initiative to perform a detailed operational controls review, shareholders may perceive that there is a lack of sufficient emphasis placed on ensuring a secure environment for customer data as well as corporate information. Through thoughtful planning surrounding implementation of controls, and careful review of operational control elements, management can illustrate a responsive approach to controls management. This manual includes detailed policies and extensive supportive policy checklists to make sure your controls are effective.

Is your disaster response plan in place? This manual addresses incident response to potential or identified intrusions and information attacks. Regulatory agency issuances, as well prior guidance, underscore the importance of carefully preparing and anticipating such attacks. The incident response policy and incident procedures checklists are useful guides in assessing a financial institution's existing policy and supporting program.

Pros and cons of outsourcing your security. Many organizations have determined that the most effective approach to security monitoring is through an established outsourcing arrangement. Detailed policies and checklists in this manual will assist management team members in planning for such an arrangement, and weighing various policy considerations.

Begin using the enclosed manual now so that it remains your definitive source on data processing. Don't wait to order your free CD — use the enclosed coupon today!

Your comments are welcome, and we encourage your response to *Bank Data Processing Policies and Procedures* — how it has helped you, how it can be improved, and additional topics to include. To submit such comments, to ask questions, or for information about additional Sheshunoff products, visit our Web site at www.sheshunoff.com or call us at 1-800-456-2340. Our customer service representatives are happy to help you.