

Contents

Volume 1

Part A Compliance Monitoring Work Papers

Section A1 Compliance Testing Schedule

Introduction to Section A1: Compliance Testing Schedule.....	A1-1
Compliance Testing Schedule.....	A1-3
Sample State Non-Member Bank Compliance Testing Schedule.....	A1-8
Blank State Non-Member Bank Compliance Testing Schedule.....	A1-17

Section A2 Product/Service Guidelines

Introduction to Section A2: Product/Service Guidelines.....	A2-1
Personal Loans: Unsecured.....	A2-3
Personal Loans: Secured by Non-Real Estate Collateral.....	A2-5
Consumer Leases.....	A2-7
Home Equity Lines of Credit (HELOC).....	A2-8
Home Improvement Loans.....	A2-10
Residential Real Estate Mortgages.....	A2-12
Credit Cards.....	A2-14
Business Lines of Credit.....	A2-16
Business Loans: Unsecured.....	A2-17
Business Loans: Secured by Non-Real Estate Collateral.....	A2-18
Business Loans: Secured by Real Estate Collateral.....	A2-19
Letters of Credit.....	A2-20
SBA Guaranteed Loans.....	A2-21
Demand Deposit Accounts.....	A2-22
Savings Accounts.....	A2-24

Negotiable Order of Withdrawal (NOW) Account..... A2-25
Money Market Deposit Accounts A2-27
Individual Retirement Accounts A2-28
Certificates of Deposit A2-29
Safe Deposit Boxes A2-31
Repurchase Agreements..... A2-32
Nondeposit Investment Products A2-33
“Event-Driven” Products/Services: Data Reporting, Recordkeeping, and
Disclosure Requirements A2-34

Section A3
Regulatory Risk Sampling Grid

Introduction to Section A3 Regulatory Risk Sampling Grid A3-1
Regulatory Risk Sampling Grid..... A3-3
Guidelines for Completing the RRSg for Reviews by Regulation..... A3-5
Guidelines for Completing the RRSg for Reviews by Lending Product A3-23

Section A4
Sample Memo of Request

Introduction to Section A4: Sample Memo of Request A4-1
Sample Memo of Request..... A4-3

Section A5
Internal Compliance Review Checklist

Introduction to Section A5: Internal Compliance Review Checklist..... A5-1
Internal Compliance Review Checklist..... A5-3

Part B
Compliance Monitoring Procedures:
Review by Law, Regulation, and Ruling

Section B1
Fair Lending Compliance

Introduction to Section B1 Fair Lending Compliance	B1-1
Equal Credit Opportunity Act	B1-3
Equal Credit Opportunity Act Procedures	B1-3
Equal Credit Opportunity Act Checklists	B1-7
Policy and Procedures Review Checklist	B1-7
Applicable Forms and Documentation Review Checklist	B1-17
Adverse Action Consumer-Purpose Credit Form Checklist	B1-21
Adverse Action Business-Purpose Credit Form Checklist — I	B1-23
Adverse Action Business-Purpose Credit Form Checklist — II	B1-25
Application Review Checklist	B1-27
Fair Housing Act	B1-32
Fair Housing Act Procedures	B1-32
Fair Housing Act Checklists	B1-35
Policy and Procedures Review Checklist	B1-35
Applicable Forms and Documentation Review Checklist	B1-38
Fair Housing Act Checklist	B1-40
Fair Housing Act Advertising Checklist	B1-42
Fair Housing and Equal Credit Opportunity Acts Self-Evaluation	B1-43
Self-Evaluation of the Fair Housing and Equal Credit Opportunity Acts Procedures	B1-43
Marginal Transaction Criteria	B1-49
Loan Officer Interview Checklist	B1-50
Attachment A: File Checklist	B1-56
Attachment B: Comparative Analysis Grid	B1-58
Attachment C: Sample Comparative Analysis Grid	B1-59
Attachment D: Comparative Analysis Side-by-Side Table	B1-60
Attachment E: Sample Comparative Analysis Side-by-Side Table	B1-61
Fair Lending Checklist	B1-62
Residential Real Estate Mortgage Lending Checklist	B1-66
Small Business Lending Checklist	B1-68
Subprime Lending Checklist	B1-71
Predatory Lending Checklist	B1-73

Section B2 Community Compliance

Introduction to Section B2 Community Compliance.....	B2-1
Community Reinvestment Act.....	B2-3
Community Reinvestment Act Procedures.....	B2-3
Small Retail Institutions Checklist	B2-6
Small Retail Institution CRA Policies and Procedures Checklist (Assets Less Than \$265 Million).....	B2-6
Intermediate Small Retail Institutions	B2-12
Intermediate Small Retail Institution CRA Policies and Procedures Checklist (Assets More Than \$265 Million, Less Than \$1.061 Billion).....	B2-12
Large Retail Institutions	B2-19
Large Retail Institutions CRA Policies and Procedures Checklist (Assets More Than \$1.061 Billion).....	B2-19
Limited Purpose and Wholesale Institutions	B2-28
Limited Purpose and Wholesale Institution CRA Policies and Procedures Checklist	B2-28
Attachment A: Community Reinvestment Act Notice (Original Public Notice)	B2-35
Attachment B: Community Reinvestment Act Notice (For Main Offices and Interstate Banks).....	B2-36
Attachment C: Community Reinvestment Act Notice (For Branch Offices).....	B2-37
Strategic Plan	B2-38
Strategic Plan CRA Checklist.....	B2-38
Revised Interagency Questions and Answers	B2-46
Revised Interagency Questions and Answers Policies and Procedures Checklist.....	B2-46
CRA Forms and Related Documentation	B2-47
CRA Forms and Documentation Review Checklist	B2-47
Specific File Documentation	B2-49
Specific File Documentation Review Checklist.....	B2-49
CRA Sunshine Requirements	B2-51
(Gramm-Leach-Bliley Act of 1999) Checklist.....	B2-51
Home Mortgage Disclosure Act	B2-54
Home Mortgage Disclosure Act Procedures	B2-54
Home Mortgage Disclosure Act (Regulation C)	B2-58
HMDA Policy and Procedures Checklist	B2-58
Loan Application Register (LAR) and Supporting Documentation	B2-66
LAR and Supporting Documentation Form Review Checklist	B2-66
Home Mortgage Disclosure Act File Review	B2-74
HMDA File Review Checklist	B2-74

Section B3 Truth-In-Lending Compliance

Introduction to Section B3 Truth-in-Lending Compliance	B3-1
Truth-in-Lending Act.....	B3-3
Truth-in-Lending Act Procedures.....	B3-3
Truth-in-Lending Act Policy Review Checklist.....	B3-8
Attachment A: Coverage Considerations Under Regulation Z	B3-26
Regulation Z Lending Forms Review Checklists	B3-27
Closed-End Credit Checklist	B3-28
Closed-End Credit: Variable Rate Disclosures Checklist — I	B3-34
Closed-End Credit: Variable Rate Disclosures Checklist — II.....	B3-35
Variable Rate Subsequent Disclosures Checklist	B3-36
Right of Rescission Notice Checklist	B3-37
Home Equity Line of Credit Review Checklist.....	B3-38
Open-End Credit Checklist.....	B3-42
Credit Card Disclosures Review Checklist	B3-44
Open-End Credit Periodic Billing Statement Checklist	B3-45
Construction Loan Disclosures Review Checklist	B3-46
Reverse Mortgage Checklist.....	B3-51
Adjustable-Rate Mortgage Review Checklist	B3-52
High-Cost Mortgages.....	B3-53
High-Cost Mortgage Disclosure Checklist.....	B3-53
Attachment B: High-Cost Mortgage Determination Grid	B3-55
Truth-in-Lending Act Advertising Checklists	B3-56
Open-End Credit Advertisements Checklist.....	B3-56
Closed-End Credit Advertisements Checklist	B3-62

Section B4 Other Consumer Compliance

Introduction to Section B4 Other Consumer Compliance	B4-1
Flood Disaster Protection Act Loans in Areas Having Special Flood Hazards	B4-5
Flood Disaster Protection Act Loans in Areas Having Special Flood Hazards Procedures	B4-5
Flood Disaster Protection Act Policy and Procedures Review	B4-9
Flood Disaster Protection Act Forms/Document Review.....	B4-13
Flood Disaster Protection Act File Review Worksheet	B4-15
Real Estate Settlement Procedures Act.....	B4-18
Real Estate Settlement Procedures Act Procedures.....	B4-18
Real Estate Settlement Procedures Act Policy and Procedures Questionnaire.....	B4-24
Real Estate Settlement Procedure Act Form/Document Review.....	B4-36
Purchase Money Mortgage Forms Worksheet.....	B4-36

Refinanced Mortgages Forms Worksheet.....	B4-41
Home Equity Lines of Credit Forms Worksheet	B4-45
Non-Purchase Money First Lien Mortgages Worksheet	B4-49
Escrow Account Review Worksheet	B4-53
Real Estate Settlement Procedures Act File Review	B4-55
Purchase Money Mortgages Worksheet	B4-55
Refinanced Mortgages Worksheet.....	B4-62
Home Equity Lines of Credit Worksheet	B4-68
Non-Purchase Money First Lien Mortgages Worksheet	B4-74
Non-Purchase Money Subordinate Lien Transactions and Reverse Mortgages Worksheet.....	B4-80
Escrow Account Review Worksheet	B4-86
Electronic Funds Transfer Act.....	B4-93
Electronic Funds Transfer Act Procedures	B4-93
Electronic Funds Transfer Act Policy and Procedures Questionnaire.....	B4-97
Electronic Funds Transfer Act Form/Document Review	B4-106
Initial Disclosure.....	B4-106
Change in Terms; Error Resolution Notice	B4-107
Receipts at Electronic Terminals; Periodic Statements	B4-108
Preauthorized Transfers Forms.....	B4-110
EFT Service Providers Notice	B4-111
Account-Holding Institution Disclosures	B4-112
Electronic Funds Transfer Act File Review Worksheet	B4-113
ATM Fee Review Checklist	B4-120
Right to Financial Privacy Act.....	B4-121
Right to Financial Privacy Act Procedures.....	B4-121
Right to Financial Privacy Act Policy and Procedures Questionnaire.....	B4-124
Right to Financial Privacy Act Form/Document Review	B4-125
Right to Financial Privacy Act File Review	B4-126
Fair Credit Reporting Act	B4-127
Fair Credit Reporting Act Procedures	B4-127
Fair Credit Reporting Act Fair and Accurate Credit Transaction Act Policy and Procedures Questionnaire.....	B4-132
Fair Credit Reporting Act Fair and Accurate Credit Transactions Act Form/ Document Review	B4-144
Fair Credit Reporting Act.....	B4-144
Fair And Accurate Credit Transactions Act of 2003	B4-146
Affiliate Information-Sharing Notice	B4-149
Fair Credit Reporting Act Fair and Accurate Credit Transactions Act File Review Worksheet.....	B4-150
Fair Credit Reporting Act.....	B4-150
Fair and Accurate Credit Transactions Act of 2003	B4-154
Fair Debt Collection Practices Act.....	B4-160
Fair Debt Collection Practices Act Procedures.....	B4-160
Fair Debt Collection Practices Act Policy and Procedures Questionnaire	B4-163
Fair Debt Collections Practices Act Form/Document Review	B4-164
Fair Debt Collections Practices Act File Review	B4-165
Unfair or Deceptive Acts or Practices.....	B4-166

Unfair or Deceptive Acts or Practices Procedures.....	B4-166
Unfair or Deceptive Acts or Practices Policy and Procedures Questionnaire	B4-169
Unfair or Deceptive Acts or Practices Form/Document Review	B4-170
Unfair or Deceptive Acts or Practices File Review	B4-172
Homeowners Protection Act of 1998.....	B4-174
Homeowners Protection Act of 1998 Procedures.....	B4-174
Homeowners Protection Act of 1998 Policy and Procedures Questionnaire.....	B4-177
Homeowners Protection Act Form/Document Review	B4-184
Homeowners Protection Act File Review Worksheet	B4-188
Privacy of Consumer Financial Information.....	B4-194
Privacy of Consumer Financial Information Procedures.....	B4-194
Privacy of Consumer Financial Information Policy and Procedures Questionnaire.....	B4-197
Safeguards for Customer Information Security Policy and Procedures Questionnaire	B4-206
Instant Messaging Checklist	B4-209
Privacy of Consumer Financial Information Form/Document Review	B4-210
Children’s Online Privacy Protection Act (COPPA) 15 USC 6501-6505	B4-214
Children’s Online Privacy Protection Act (COPPA) Policy and Procedures Questionnaire.....	B4-217
Telephone Consumer Protection Act (TCPA) and the Junk Fax Prevention Act	B4-222
Telephone Consumer Protection Act and the Junk Fax Prevention Act Policy And Procedures Questionnaire.....	B4-225
Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM) 12 USC 1751	B4-228
Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM) Policy and Procedures Questionnaire	B4-231
Servicemembers Civil Relief Act (SCRA) Pub. L. 108-189	B4-234
(Supercedes Soldiers’ and Sailors’ Civil Relief Act Procedures).....	B4-234
Servicemembers Civil Relief Act (SCRA) Policy and Procedures Questionnaire	B4-237
Servicemembers Civil Relief Act (SCRA) File Review Worksheet.....	B4-238

**Section B5
Deposits Compliance**

Introduction to Section B5 Deposits Compliance.....	B5-1
Expedited Funds Availability Act.....	B5-3
Expedited Funds Availability Act Procedures.....	B5-3
Expedited Funds Availability Act (Regulation CC) Worksheets	B5-6
Hold Notices Worksheet.....	B5-6
Review of the Deposit System Worksheet	B5-10
Expedited Funds Availability Act (Regulation CC) Checklist.....	B5-11
Check 21 — Substitute Checks Checklist Regulation CC — Subpart D	B5-24
Truth-in-Savings Act	B5-29
Truth-in-Savings Act Procedures.....	B5-29
Truth-in-Savings Act (Regulation DD) Checklist	B5-32

Truth-in-Savings Act (Regulation DD) Worksheets.....	B5-38
Account Disclosures/Schedule Worksheet.....	B5-38
Deposit Account Advertising Worksheet.....	B5-45
Periodic Statement Worksheet.....	B5-52
Time Account Notices Worksheet.....	B5-53
Reserve Requirements of Depository Institutions.....	B5-55
Reserve Requirements of Depository Institutions Procedures.....	B5-55
Reserve Requirements and Interest on Deposits Checklist.....	B5-58
Reserve Requirements and Interest on Deposits Worksheets.....	B5-63
Reserve Requirement Worksheet.....	B5-64
Interest on Deposits Worksheet.....	B5-66
Consumer Protection for Depository Institution Sales of Insurance.....	B5-71
Consumer Protection for Depository Institution Sales of Insurance Procedures.....	B5-71
Consumer Protection Checklist for Insurance Sales.....	B5-72

Section B6
Anti-Money Laundering Compliance

Introduction to Section B6 Anti-Money Laundering Compliance.....	B6-1
Anti-Money Laundering Compliance.....	B6-3
Anti-Money Laundering Procedures.....	B6-3
Department of the Treasury’s Financial Recordkeeping and Reporting of Currency and Foreign Transactions Minimum Security Devices and Procedures, Reports of Suspicious Activities, and Bank Secrecy Act Compliance Program Procedures.....	B6-3
BSA/AML Program Policy And Procedures Review.....	B6-8
Additional Anti-Money Laundering Focus Areas.....	B6-39
Anti-Money Laundering Transaction Review.....	B6-78
CIP Worksheet.....	B6-78
CIP Customer Notice and Signage.....	B6-80
Wire Transfers Activity Documents.....	B6-81
Customer Funds Transfer Worksheet.....	B6-82
Noncustomer Funds Transfer Worksheet.....	B6-85
Transmittal of Funds Exempt from the Recordkeeping Requirements.....	B6-87
Transmittal Orders Worksheet.....	B6-88
Monetary Instruments Activity Log and Related Documents.....	B6-90
Monetary Instrument Worksheet.....	B6-90
Ongoing OFAC Monitoring.....	B6-92
OFAC Compliance Checklist.....	B6-92
Currency Transaction Reporting (CTR) Review.....	B6-95
Currency Transaction Monitoring Worksheet.....	B6-95
Currency Transaction Reporting (CTR) Review Actual Filings.....	B6-98
FinCEN Form 104 Currency Transaction Report.....	B6-99
Exemption List and Supporting Documentation.....	B6-103

Exempt List Review	B6-105
Exemption List: Support Documentation	B6-108
FinCEN Form 110 Designation of Exempt Person	B6-109
Suspicious Activity Report (SAR) Documentation Review	B6-111
Suspicious Activity Report (SAR) Review Actual Filings.....	B6-113
Department of the Treasury TD F 90-22.47 Suspicious Activity Report	B6-115
Report of International Transportation of Currency or Monetary Instruments (FinCEN Form 105).....	B6-120
FinCEN Form 105 Report of International Transportation of Currency or Monetary Instruments	B6-121
Report of Foreign Bank and Financial Accounts (Department of Treasury TD F 90-22.1).....	B6-123
Department of the Treasury TD F 90-22.1 Report of Foreign Bank and Financial Accounts.....	B6-124
Reports of Cash Payments Over \$10,000 Received in a Trade or Business — IRS Form 8300	B6-128
IRS Form 8300 Report of Cash Payments Over \$10,000 Received in a Trade or Business	B6-129
Annual Report of Blocked Property — Form TD F 90.22.50	B6-134
Department of the Treasury Form TD F 90.22.50 Office of Foreign Assets Control Application for the Release of Blocked Funds	B6-135
Record Retention Review	B6-138

**Section B7
Commercial Compliance**

Introduction to Section B7 Commercial Compliance	B7-1
Loans to Executive Officers, Directors, and Principal Shareholders	B7-5
Loans to Executive Officers, Directors, and Principal Shareholders Procedures	B7-5
Loans to Executive Officers, Directors, and Principal Shareholders Policy and Procedures Checklist	B7-8
Loans to Executive Officers, Directors, and Principal Shareholders Forms/Document Review Checklist	B7-13
Loans to Executive Officers, Directors, and Principal Shareholders File Review Checklist ...	B7-14
Minimum Security Devices and Procedures, Reports of Suspicious Activities, and Bank Secrecy Act Compliance Program	B7-19
Minimum Security Devices and Procedures, and Reports of Suspicious Activities Procedures....	B7-19
Minimum Security Devices and Procedures/Suspicious Activity Reports Policies and Procedures Checklist	B7-22
Minimum Security Devices and Procedures/Suspicious Activity Reports Forms/Document Review Checklist.....	B7-25
Minimum Security Devices and Procedures/Suspicious Activity Reports File Review Checklist.....	B7-26
Extensions of Credit by Federal Reserve Banks	B7-29
Extensions of Credit by Federal Reserve Banks Procedures	B7-29

Extensions of Credit by Federal Reserve Banks (Regulation A) Policies and Procedures Checklist	B7-31
Extensions of Credit by Federal Reserve Banks (Regulation A) Reports Forms/Document Review Checklist.....	B7-33
Extensions of Credit by Federal Reserve Banks (Regulation A) File Review Checklist	B7-33
Collection of Checks and Other Items and Wire Transfer of Funds by Federal Reserve Banks	B7-34
Collection of Checks and Other Items and Wire Transfer of Funds by Federal Reserve Banks Procedures.....	B7-34
Collection of Checks and Other Items and Wire Transfer of Funds by Federal Reserve Banks Regulation J (Subpart A) Policies and Procedures Checklist	B7-37
Collection of Checks and Other Items and Wire Transfer of Funds by Federal Reserve Banks Regulation J Reports Forms/Document Review Checklist.....	B7-39
Collection of Checks and Other Items and Wire Transfer of Funds by Federal Reserve Banks (Regulation J) Document Review Checklist.....	B7-39
Rules That Govern Funds Transfers Through Fedwire Regulation J (Subpart B) Checklist	B7-41
Records to Be Made and Retained by Financial Institutions	B7-42
Records to Be Made and Retained by Financial Institutions Procedures	B7-42
Records to Be Made and Retained by Financial Institutions Policies and Procedures Checklist	B7-45
Records to Be Made and Retained by Financial Institutions Reports Forms/Document Review Checklist.....	B7-48
Records to Be Made and Retained by Financial Institutions Document Review Checklist.....	B7-48
Reimbursement to Financial Institutions for Assembling or Providing Financial Records.....	B7-50
Reimbursement to Financial Institutions for Assembling or Providing Financial Records Procedures	B7-50
Reimbursement to Financial Institutions for Assembling or Providing Financial Records Policies and Procedures Checklist.....	B7-52
Reimbursement to Financial Institutions for Assembling or Providing Financial Records Forms/Document Review Checklist.....	B7-54
Reimbursement to Financial Institutions for Assembling or Providing Financial Records Request/Search Review Checklist.....	B7-54
Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stocks	B7-56
Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stocks Procedures	B7-56
Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stocks Policies and Procedures Checklist	B7-59
Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stocks Document/Forms Review Checklist	B7-61
Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stocks Records File Review Checklist.....	B7-62
Interbank Liabilities	B7-64
Interbank Liabilities Procedures	B7-64
Interbank Liabilities Policies and Procedures Checklist	B7-66
Interbank Liabilities Forms/Document Review Checklist	B7-68
Interbank Liabilities Transaction/File Documentation Review Checklist.....	B7-68
Annual Disclosure of Financial Information	B7-70

Annual Disclosure of Financial Information Procedures.....	B7-70
Annual Disclosure of Financial Information Policies and Procedures Checklist.....	B7-72
Annual Disclosure of Financial Information Forms/Document Review Checklist.....	B7-74
Annual Disclosure of Financial Information File Documentation Review Checklist.....	B7-74
Advertisement of FDIC.....	B7-76
Advertisement of FDIC Membership Procedures.....	B7-76
Advertisement of FDIC Membership Policies and Procedures Checklist.....	B7-78
Advertisement of FDIC Membership Forms/Document Review Checklist.....	B7-79
Advertisement of FDIC Membership File Documentation Review Checklist.....	B7-79
Internal Revenue Service Withholding Requirements (TIN).....	B7-81
Internal Revenue Service Withholding Requirements (TIN) Procedures.....	B7-81
Interest Withholding Requirements Policies and Procedures Checklist.....	B7-83
Interest Withholding Requirements Forms/Document Review Checklist.....	B7-84
Interest Withholding Requirements File Documentation Review Checklist.....	B7-84
Americans with Disabilities Act of 1990.....	B7-85
Americans with Disabilities Act of 1990 Procedures.....	B7-85
Americans with Disabilities Act Policies and Procedures Checklist.....	B7-88
Americans with Disabilities Act Forms/Document Review Checklist.....	B7-89
Americans with Disabilities Act File Documentation Review Checklist.....	B7-89
Payment Systems Risk/Daylight Overdrafts.....	B7-91
Payment Systems Risk/Daylight Overdrafts Procedures.....	B7-91
Payment Systems Risk/Daylight Overdrafts Policies and Procedures Checklist.....	B7-94
Payment Systems Risk/Daylight Overdrafts Forms/Document Review Checklist.....	B7-100
Payment Systems Risk/Daylight Overdrafts File Documentation Review Checklist.....	B7-100
Corporate Business Resumption and Contingency Planning.....	B7-102
Corporate Business Resumption and Contingency Planning Procedures.....	B7-102
Corporate Business Resumption and Contingency Planning Policies and Procedures Checklist.....	B7-105
Corporate Business Resumption and Contingency Planning Forms/Document Review Checklist.....	B7-109
Corporate Business Resumption and Contingency Planning File Documentation Review Checklist.....	B7-109
Real Estate Appraisal Standards.....	B7-111
Real Estate Appraisal Standards Procedures.....	B7-111
Real Estate Appraisal Standards Policies and Procedures Checklist.....	B7-114
Real Estate Appraisal Standards Forms/Document Review Checklist.....	B7-119
Real Estate Appraisal Standards File Documentation Review Checklist.....	B7-119
Bank Bribery Act.....	B7-124
Bank Bribery Act Procedures.....	B7-124
Bank Bribery Act Policies and Procedures Checklist.....	B7-127
Bank Bribery Act Forms/Document Review Checklist.....	B7-129
Bank Bribery Act File Documentation Review Checklist.....	B7-129
Banking Affiliates Act of 1982.....	B7-130
Banking Affiliates Act of 1982 Procedures.....	B7-130
Transactions with Affiliates Policies and Procedures Checklist.....	B7-134
Transactions with Affiliates Forms/Document Review Checklist.....	B7-153
Transactions with Affiliates File Documentation Review Checklist.....	B7-153

Lost and Stolen Securities Program	B7-161
Lost and Stolen Securities Program Procedures	B7-161
Lost and Stolen Securities Policies and Procedures Checklist	B7-163
Lost and Stolen Securities Forms/Document Review Checklist	B7-165
Lost and Stolen Securities File Documentation Review Checklist	B7-166
Depository Management Interlocks Act/Management Official Interlocks	B7-168
Depository Management Interlocks Act/Management Official Interlocks Procedures	B7-168
Management Official Interlocks Policies and Procedures Checklist.....	B7-172
Management Official Interlocks Forms/Document Review Checklist.....	B7-174
Management Official Interlocks File Documentation Review Checklist.....	B7-174
Consumer Leasing Act.....	B7-175
Consumer Leasing Act Procedures.....	B7-175
Consumer Leasing Policies and Procedures Checklist.....	B7-178
Consumer Leasing Forms/Document Review Checklist.....	B7-181
Consumer Leasing File Documentation Review Checklist.....	B7-184
Consumer Leasing Advertising Checklist.....	B7-187
Interagency Policy Statement on Retail Sales of Nondeposit Investment Products/Joint Interpretations of the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products.....	B7-192
Interagency Policy Statement on Retail Sales of Nondeposit Investment Products/Joint Interpretations of the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products Procedures.....	B7-192
Retail Nondeposit Investment Product (NDIP) Policies and Procedures Checklist.....	B7-196
Retail Nondeposit Investment Product (NDIP) Sales Forms/Document Review Checklist....	B7-208
Retail Nondeposit Investment Product (NDIP) Sales File Documentation Review Checklist.....	B7-211
International Lending Supervision Act (Regulation K).....	B7-220
International Lending Supervision Act (Regulation K) Procedures.....	B7-220
International Lending Supervision Act (Regulation K) Policies and Procedures Checklist ...	B7-222
International Lending Supervision Act (Regulation K) Forms/Document Review Checklist.....	B7-225
International Lending Supervision Act (Regulation K) File Documentation Review Checklist.....	B7-225

Section B8
Electronic Banking Services

Introduction to Section B8 Electronic Banking Services.....	B8-1
Electronic Signatures Act	B8-3
Electronic Signatures in Global and National Commerce Act	B8-3
Electronic Signatures Act Suggested Electronic Storage Safeguards Based on SEC Guidance (June 2001)	B8-6
Electronic Signatures Act Guidance on Electronic Record Retention Systems	B8-8

Electronic Signatures Act Guidance on Electronic Record Retention Systems Checklist	B8-8a
Electronic Banking Checklist (Based on Final Rule Published by the OCC*)	B8-8f
Wireless Networks Risk Management Checklist.....	B8-21
Information Systems Compliance Checklist.....	B8-25
Information Systems (IS) Contingency Planning Checklist	B8-71
Operations Work Program Checklist.....	B8-75

Volume 2

Part C Compliance Monitoring Procedures: Review by Lending Product

Section C1 Personal Loans

Introduction to Section C1 Personal Loans.....	C1-1
Personal Loans: Secured by Non-Real Estate Collateral	C1-3
Personal Loans: Secured by Non-Real Estate Collateral Procedures	C1-3
Personal Loans: Secured by Non-Real Estate Collateral Worksheet.....	C1-6
General Policy and Procedures Review	C1-6
General Forms Review	C1-12
Review of Adverse Action Notice Form	C1-14
Loan File Sample Review.....	C1-16
Personal Loans: Unsecured.....	C1-32
Personal Loans: Unsecured Procedures.....	C1-32
Personal Loans: Unsecured Worksheet	C1-35
General Credit Policy and Procedures Review.....	C1-35
General Application Form Review	C1-40
Review of Adverse Action Notice Form	C1-42
Loan Sample File Review.....	C1-45

Section C2 Consumer Leases

Introduction to Section C2 Consumer Leases.....	C2-1
---	------

Consumer Leases	C2-3
Consumer Lease Procedures	C2-3
Consumer Leases Worksheet	C2-6
General Policy and Procedures Review	C2-6
General Forms Review	C2-12
Review of Adverse Action Notice Form	C2-16
Lease File Sample Review	C2-18

Section C3

Home-Related Products

Introduction to Section C3 Home-Related Products	C3-1
Home Equity Lines of Credit	C3-3
Home Equity Lines of Credit Procedures	C3-3
Home Equity Lines of Credit Worksheet	C3-6
General Policy and Procedures Review	C3-6
General Application and Forms Review	C3-23
Review of Adverse Action Notice Form	C3-34
Loan File Sample Review	C3-36
Escrow Account Worksheet	C3-66
Home Improvement Loans	C3-82
Home Improvement Loan Procedures	C3-82
Home Improvement Loan Worksheet	C3-85
General Policy and Procedures Review	C3-85
General Application and Forms Review	C3-103
Review of Adverse Action Notice Form	C3-117
Loan File Sample Review	C3-119
Reverse Mortgage Worksheet	C3-153
Escrow Account Worksheet	C3-154
High Cost Mortgages	C3-171
Residential Real Estate Mortgages	C3-175
Residential Real Estate Mortgages Procedures	C3-175
Residential Real Estate Mortgages Worksheet	C3-178
General Policy and Procedures Review	C3-178
General Application and Forms Review	C3-197
Review of Adverse Action Notice Form	C3-210
Loan File Sample Review	C3-212
Reverse Mortgage Worksheet	C3-244
Escrow Account Worksheet	C3-245

**Section C4
Credit Cards**

Introduction to Section C4 Credit Cards C4-1

Credit Cards C4-3

 Credit Cards Procedures C4-3

 Credit Card Worksheet C4-6

 General Policy and Procedures Review C4-6

 Record Retention Requirements — Policy and Procedures C4-12

 General Application and Forms Review C4-13

 Review of Adverse Action Notice Form C4-17

 Loan File Sample Review C4-19

**Section C5
Business-Related Products**

Introduction to Section C5 Business-Related Products C5-1

Business Lines of Credit C5-3

 Business Lines of Credit Procedures C5-3

 Business Lines of Credit Worksheet C5-6

 General Policy and Procedures Review C5-6

 General Forms Review C5-16

 Review of Adverse Action Notice Form C5-17

 Loan File Sample Review C5-20

Business Loans: Unsecured C5-32

 Business Loans: Unsecured Procedures C5-32

 Business Loans: Unsecured Worksheet C5-35

 General Policy and Procedures Review C5-35

 General Forms Review C5-40

 Review of Adverse Action Notice Form C5-41

 Loan File Sample Review C5-44

Business Loans: Secured by Non-Real Estate Collateral C5-50

 Business Loans Secured by Non-Real Estate Collateral Procedures C5-50

 Business Loans Secured by Non-Real Estate Collateral Worksheet C5-53

 General Policy and Procedures Review C5-53

 General Forms Review C5-58

 Review of Adverse Action Notice Form C5-59

 Loan File Sample Review C5-62

Business Loans: Secured by Real Estate Collateral C5-69

 Business Loans Secured by Real Estate Collateral Procedures C5-69

 Business Loans Secured by Real Estate Collateral Worksheet C5-72

 General Policy and Procedures Review C5-72

General Application and Forms Review.....	C5-81
Review of Adverse Action Notice Form	C5-82
Loan File Sample Review.....	C5-85

Section C6

Letters of Credit

Introduction to Section C6 Letters of Credit.....	C6-1
Letters of Credit: Secured by Real Estate Collateral	C6-3
Letters of Credit Secured by Real Estate Collateral Procedures.....	C6-3
Letters of Credit Secured by Real Estate Collateral Worksheet	C6-6
General Policy and Procedures Review	C6-6
General Forms Review	C6-15
Review of Adverse Action Notice Form	C6-16
Loan File Sample Review.....	C6-19
Letters of Credit: Secured by Non-Real Estate Collateral	C6-31
Letters of Credit Secured by Non-Real Estate Collateral Procedures	C6-31
Business Loans Secured by Non-Real Estate Collateral Worksheet	C6-34
General Policy and Procedures Review	C6-34
General Forms Review	C6-39
Review of Adverse Action Notice Form	C6-40
Loan File Sample Review.....	C6-43
Letters of Credit: Unsecured.....	C6-50
Letters of Credit: Unsecured Procedures	C6-50
Business Loans: Unsecured Worksheet.....	C6-53
General Policy and Procedures Review.....	C6-53
General Forms Review	C6-58
Review of Adverse Action Notice Form	C6-59
Loan File Sample Review.....	C6-62

Section C7

Residential Construction Loans

Introduction to Section C7 Residential Construction Loans.....	C7-1
Residential Real Estate Construction Loans (Temporary Financing Only).....	C7-3
Residential Real Estate Construction Loans (Temporary Financing Only) Procedures.....	C7-3
Residential Real Estate Construction Loans (Temporary Financing Only) Worksheet	C7-6
General Policy and Procedures Review	C7-6
General Application and Forms Review.....	C7-22
Review of Adverse Action Notice Form	C7-27

Loan File Sample Review..... C7-29

Residential Real Estate Construction Loans (Initial and Permanent (End) Financing)..... C7-50

Residential Real Estate Construction Loans (Initial and Permanent (End) Financing) Procedures C7-50

Residential Real Estate Construction Loans (Initial and Permanent (End) Financing) Worksheet..... C7-54

General Policy and Procedures Review..... C7-54

General Application and Forms Review..... C7-71

Review of Adverse Action Notice Form C7-85

Loan File Sample Review..... C7-87

Escrow Account Worksheet..... C7-121