

How to Use This Manual

Marketing officers are not compliance officers, and compliance officers are not marketing officers. Yet when it comes to marketing a bank's products, both are required to enter the other's world.

Successful marketing of bank products and services requires that marketing knowledge and ability be skillfully applied in compliance with numerous complicated federal regulations. When it comes to complying with federal regulations, bank marketing can become overwhelming, since, in the area of consumer protection, we seem to be in a period of reregulation rather than deregulation.

The objective of *Bank Marketing and Advertising: Regulatory Compliance* is to provide practical assistance in understanding and complying with the many different federal regulations that govern each of the products and services a bank offers. Whether you are a marketing officer or a compliance officer, you will find that this is not your typical compliance manual. In the typical compliance manual, the provisions of a regulation will be outlined section by section, not necessarily with any particular reference to the deposit or loan product you have an interest in. As a result, when a marketing officer seeks an answer to a question or consults with the bank's compliance officer, the standard procedure is to begin combing through different compliance manuals for the applicable provisions of the governing regulations.

Our approach is the opposite, and because of this, both the marketing officer and the compliance officer can make effective use of this manual. We start with the deposit or loan product, and then, for each product banks are permitted to market, we spell out all applicable regulatory requirements for that deposit or loan type. The result is that all of the regulations governing the marketing of that deposit or loan are in one place, making it unnecessary to go through numerous volumes searching for the answers you need.

The manuals are divided into five parts: Deposits (Part I); Loans (Part II); Safe Deposit, Night Depository, Electronic Services, Cash Management, and Brokerage (Part III); Naming and Pricing Products and Handling Complaints (Part IV); and Exhibits and Appendixes (Part V). Within Parts I and II, separate tabs are devoted to specific deposit and loan products. Part I is provided in Volume 1; Parts II-V are in Volume 2.

Whether a product is a deposit or loan, complying with federal regulations means covering requirements in six separate areas:

1. Product design
2. Notice and disclosures
3. Advertising
4. Naming the product
5. Pricing the product
6. Handling potential complaints

Every deposit and loan product has unique requirements when it comes to design, notice and disclosures, and advertising, and these are dealt with in the separate tabbed sections of the manual. Requirements relating to naming and pricing products and handling complaints are generic in nature, with the same requirements affecting all deposit and loan products equally. Therefore, these areas are included as separate tabbed sections in Part IV.

In Part V, Exhibits and the Appendixes, we've included the resource materials you'll find helpful.

The Exhibits and Appendixes previously found at the end of each chapter in Volume II have been moved to one centralized location for easier use. See the Table of Contents starting on page lviii for a full listing of Exhibits and Appendixes.

- Appendix A. Most important is Appendix A, which contains a brief summary of the Truth-in-Savings Act.
- Appendix B. This appendix provides you with an overview of the regulators and regulations.
- Appendix C. This is a quick reference guide for required posted notices.
- Appendix 16A. This appendix contains the interagency questions and answers regarding the Community Reinvestment Act.
- Appendix 19A/23A. This appendix contains the interagency questions and answers regarding flood insurance.
- Appendix 19B/23C. This appendix contains information regarding unfair and deceptive acts or practices by state-chartered banks.

The first four parts of the manual are broken down into the following chapters: