

Regional Bulletin: 07-03

CRA and Compliance Hot Topics Workshops



Dear Chief Executive Officer:

I would like to invite you and members of your savings institution to attend one of the West Region's upcoming Community Reinvestment Act (CRA) and Compliance Hot Topics workshops. We have scheduled a series of four workshops that focus on (1) the recent OTS CRA regulations and examination procedures, and (2) the recent and upcoming changes in other compliance-related requirements. Three of the workshops will be held in our regional offices in Daly City, Santa Ana and Seattle, and a fourth workshop will be held at the Radisson Hotel Denver Stapleton Plaza located in downtown Denver, Colorado. The workshops are free of charge and will commence with registration and continental breakfast at 8:30 a.m. and end at 3:00 p.m. A light lunch will be served.

As you are aware, the OTS recently revised its CRA regulation to align its rules with those of our sister federal banking agencies. The revised CRA rules eliminated the weighting option available to large savings institutions under the CRA lending, investment and service tests, and established an Intermediate Small Bank (ISB) category for savings institutions with total assets between \$250 million and \$1 billion. Due to the rule changes, a large savings institution's composite CRA rating is now determined by assigning a 50 percent weight to the lending test, and a 25 percent weight to both the service and investment tests. An ISB's CRA performance will now be assessed using both the new "Community Development Test" and the "Streamlined Test" for small institutions. The new rules are effective July 1, 2007.

The workshops are designed to help you and affected staff better understand and comply with the recent CRA rule changes and other compliance-related requirements. In this regard, we plan to discuss the respective CRA tests for all three categories of savings institutions and to highlight revisions to the OTS's CRA examination procedures. In addition, we will take the opportunity at these workshops to highlight and discuss other current and emerging compliance requirements and hot topics that may be of interest to you, including:

- Bank Secrecy Act: Examination Handbook Update, SAR Guidance
- Fair Lending: Current Agency Focus
- Flood: Guidance on Condominium Coverage
- Gift Card Guidance
- Nontraditional Mortgage Product Guidance/Consumer Illustrations
- Predatory Lending: Talent Amendment
- Privacy: Model Notice
- Regulations B, E, M, Z, and DD: Consumer Disclosures in Electronic Form
- Statement on Working with Mortgage Borrowers
- Truth in Lending Act: Open-End Disclosures

We will also have time for a general question and answer session with our region's compliance experts.

Space is limited, so please complete and return the enclosed registration form by June 22, 2007.

The dates and locations for the upcoming workshops are as follows:

July 10 - Radisson Hotel Denver Stapleton Plaza
333 Quebec Street
Denver, Colorado
(303) 321-3500

July 17 - Office of Thrift Supervision – Seattle
101 Stewart Street, Suite 1010
Seattle, Washington 98101
(206) 829-2600

July 19 - Office of Thrift Supervision - Santa Ana
1551 North Tustin Avenue, Suite 1050
Santa Ana, California 92705
(714) 796-4700

July 23 - Office of Thrift Supervision - Daly City
2001 Junipero Serra Blvd., Suite 650
Daly City, California 94014
(650) 746-7040

I encourage you, your CRA Officer, and your Compliance Officer to attend one of the CRA and Compliance Hot Topics Workshops.

Sincerely,

Michael E. Finn
Regional Director

Enclosure

**CRA and Compliance Hot Topics Workshops
Registration Form**

Institution Name: _____

Institution Address: _____

We will attend the workshop checked below:

_____ July 10
Radisson Hotel Denver Stapleton Plaza
333 Quebec Street
Denver, CO
(303) 321-3500

_____ July 17
Office of Thrift Supervision – Seattle
101 Stewart Street, Suite 1010
Seattle, WA
(206) 829-2600

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_____ July 23
Office of Thrift Supervision
2001 Junipero Serra Boulevard, Suite 650
Daly City, CA
(650) 746-7040

Name and Title of Attendee: _____

Name and Title of Attendee: _____

Name and Title of Attendee: _____

Mail or fax by June 22 to: Virginia Salazar, Office of Thrift Supervision, P.O. Box 7165, San Francisco, CA 94120-7165. Fax (650) 746-7001.