

Illinois Department of Financial and Professional Regulation

Division of Financial Institutions

ILLINOIS COMMUNITY REINVESTMENT ACT EXAMINATION REQUEST

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ILLINOIS COMMUNITY REINVESTMENT ACT EXAMINATION REQUEST

Please provide responses to all of the following. To the extent any questions or documents are inapplicable to your credit union, please provide an explanation in your response.

Unless otherwise specified, this examination request covers the following time period: _____.

For all credit unions:

- Elect to be evaluated pursuant to the Investment Test (Section 185.230)

YES

NO

For small credit unions and intermediate small credit unions (total assets less than \$1.609B):

- Elect to be evaluated pursuant to the large credit union (i.e. \$1.609B or more) Lending Test (Section 185.220) and Service Test (Section 185.240)

YES

NO

PART I: GENERAL

SECTION 1: GENERAL

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

1. Position descriptions and resumes for personnel with compliance responsibilities for the examination period.
2. An organizational chart outlining the reporting structure of positions within the credit union.
3. A written description and map of the ILCRA assessment field including branch locations, remote service facilities including ATMs and Interactive Teller Machines (ITMs), loan production offices, deposit production offices.
4. A list of financial institutions that are considered major competitors in the assessment field and an explanation of why.
5. A list and description of products and services offered by the credit union.
6. The credit union bylaws.
7. An electronic version of the credit union's ILCRA file.
8. Copies of all credit application forms used by the credit union or affiliated dealers.
9. Copies of instructions regarding credit scoring systems utilized by the credit union, as well as an explanation of how the system was formulated.
10. Organizational chart for the credit union identifying all holding companies, subsidiaries, affiliates, and charitable foundations.
11. Recent history of the credit union, including merger and acquisition activity, branches opened or closed with dates and addresses for the examination period.

QUESTIONS

12. Provide the names, titles, phone numbers, and email addresses of the officers and/or credit union personnel who are appropriate contacts for specific information about the following products and related compliance matters, as applicable. If one person has oversight of a particular area, list this information once. Advise these individuals that examiners may be contacting them before or during the examination, seeking general information regarding credit union processes.

Area of Responsibility	Name/Title	Phone Number	Email
Compliance Officer(s)			
Residential Lending			
Consumer Lending			
Commercial Lending			
Marketing, Advertising, and Social Media			
Credit Reporting			
CRA Officer			
Fair Lending Program Oversight			

QUESTIONS

13. Describe the credit union's background including:

- year chartered;
- concise summary of the field of membership and common bonds¹;
- any designations and details, if applicable (e.g. Low-Income Designation (LID), Minority Depository Institution (MDI), Community Development Financial Institution (CDFI), etc. (please include date and granting entity);
- details on subsidiaries or affiliates including any credit union foundations, or mergers and acquisitions;
- number of members as of exam date; and
- any other relevant information.

¹ "Field of membership" means the members or persons eligible to join a credit union consisting of members or persons: within one or more of the following common bonds: association, occupation or community as defined in 205 ILCS 305; and as otherwise authorized under 205 ILCS 305.

14. A list of the following, including the address, city/town, county, and state, census tract, where they are located, and hours of operation:

- main office;
- branch office(s);
- remote service facilities, including ATMs and Interactive Teller Machines (ITMs) (please indicate which are deposit-taking).
- loan production office(s); and
- deposit production office(s).

QUESTIONS

15. If the credit union has loan production offices (LPOs), provide the following information for each LPO:
- the specific location;
 - indicate if it is located in the office of any third party and provide the name of the third party;
 - describe the types of loans offered;
 - indicate the number of loan originators and provide their names; and
 - describe how these loan originators are compensated if their compensation is different from the loan originators located in the credit union's branch offices.

SECTION 2: BOARD AND MANAGEMENT OVERSIGHT

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

16. A current list of the credit union's Board members, trustees and management identified by name, title, start date, and office location. Note anyone who is new or is no longer a part of the Board or the management team within the last 12 months. For persons who are new in these positions provide a brief description of their background and job duties. For those who are no longer a part of Board or management, provide the date of departure and a brief description of the circumstances (e.g., retired).
17. The minutes of Board meetings held for the examination period. Include compliance-related materials or exhibits referred to in the minutes.
18. The minutes of the audit committee and compliance-related committee meetings held during the examination period. Include materials or exhibits referred to in the minutes.
19. The credit union's business plan and/or strategic plan.
20. A current list of director and officer committees including a list of members. Please include a list of any management committees.

QUESTIONS

21. Describe how compliance responsibilities are allocated and coordinated throughout the credit union (e.g., operational, geographical). If the credit union uses a compliance consultant to assist with its compliance responsibilities, describe the relationship with the consultant and indicate if any changes have been made to the relationship for the examination period.
22. Describe any compliance committees (e.g., the purpose/role, how often it meets, who the committee reports to). Include a list of the names and titles of individuals who serve on the committee(s).

QUESTIONS

23. Have there been any changes to committee structures for the examination period? What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

24. Describe any changes to management or personnel primarily responsible for compliance for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

QUESTIONS

25. Describe the process by which management anticipates and responds to changes in applicable consumer protection laws and regulations and market conditions.
26. Describe how management identifies compliance risks, including emerging risks, in the products, services, and other activities that the credit union offers/conducts. Also describe how identified risk is managed, including self-assessments.

QUESTIONS

27. Describe how the Board and management are involved in the pre- and post-implementation of new products or services, including those offered by a third party (e.g., due diligence reviews performed in advance of product changes, considering the entire life cycle of the product or service, and after implementation of changes).
28. Describe how the Board and management ensures that deficiencies, findings, and recommendations identified during an examination are corrected and do not reoccur. Describe the process for determining who is held accountable for the corrective action(s).

SECTION 3: POLICIES AND PROCEDURES

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

29. A list of all the credit union's policies, identifying any that are new or revised for the examination period.
30. Loan policy.
31. All compliance or loan-related policies and procedures specific to subsidiaries or affiliates.
32. Provide copy of the notice sent with each residential mortgage denial and each small business loan denial advising the applicant of the right to appeal such denial.
33. The credit union's fair lending policy that addresses Equal Credit Opportunity Act (ECOA) and Fair Housing Act (FHA), if separate from your loan policy.
34. The credit union's Home Mortgage Disclosure Act (HMDA) policies and procedures.
35. The credit union's consumer complaint policies and procedures including:
 - underwriting and pricing;
 - lending channels (e.g., secondary market, mortgage broker or loan referral arrangements, marketing service agreements, desk or office rental agreements, use of lead or prospect lists);
 - fair lending; and
 - loan servicing.
36. The credit union's debt collection policies and procedures (where the credit union collects its own debts), including Fair Debt Collection Practices Act, (where the credit union collects third-party debt, if applicable).
37. The credit union's vendor management policies and procedures.
38. The credit union's advertising/marketing (including social media) policies and procedures.
39. The credit union's ILCRA policies and procedures.
40. The credit union's unfair, deceptive, or abusive acts or practices (UDAAP) policies and procedures.
41. Any other compliance-related policies or procedures.
42. An electronic data download of loan trial balance as of the exam date that includes each borrower and the major fields used when inputting a loan on your computer system.
43. An electronic data download of small business loans originated or renewed for the examination period. Refer to Small Business Small Farm File Structure for specifics.
44. An electronic data download of small farm loans originated for the examination period. Refer to Small Business Small Farm File Structure for specifics.
45. An electronic data download of home mortgage residential real estate loans originated or renewed for the examination period. Refer to HMDA File Structure for specifics.
46. An electronic data download of consumer loans originated for the examination period. Refer to Consumer Loan File Structure for specifics.
47. A list of loan trial balance codes used on the electronic loan data download, including, but not limited to: loan type, purpose, collateral codes, Call Report codes, and loan officer codes.
48. A list of denied loans detailing loan type, reason(s) for denial, outcome, other relevant information.

QUESTIONS

49. Describe the credit union's review and approval process that ensures policies and procedures reflect changes to the credit union's strategy or regulatory requirements. If applicable, describe any changes to policies and procedures for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?
50. Describe the credit union's procedures for collecting and disseminating compliance-related information and any new or amended compliance policies and procedures. Include how the credit union ensures policies and procedures are readily available to all employees.

SECTION 4: TRAINING

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

51. Records of all ILCRA, ECOA, FHA, UDAAP, and HMDA related training for Board, management, and staff, including dates, participants, and topics covered for the examination period.
52. A list of the credit union's consumer compliance related resources and reference material, such as subscriptions to a monthly compliance newsletter or to a compliance service website.

QUESTIONS

53. Describe the credit union's ILCRA, fair lending, UDAAP, and Home Mortgage Disclosure Act (HMDA) related training program. Include details of how management ensures that staff members receive training on consumer protection issues commensurate with their responsibilities. If applicable, describe any changes to the training program for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

QUESTIONS

54. Describe how the credit union provides ILCRA, fair lending, UDAAP, and Home Mortgage Disclosure Act (HMDA) training to the Board, management, and staff for consumer protection regulations that are newly implemented or revised for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

55. Describe how employees are periodically assessed to determine the effectiveness of training.

56. Details of the type and frequency of training or other compliance-related professional development attended by the Board, management, compliance officer, and other staff with compliance responsibilities.

SECTION 5: MONITORING AND/OR AUDITS

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

57. Reports of ILCRA, ECOA, FHA, UDAAP, and HMDA compliance monitoring reviews, with supporting documentation, performed for the examination period. Include follow-up reports on corrective action taken in response to monitoring findings.
58. Schedules of ILCRA, ECOA, FHA, UDAAP, and HMDA compliance monitoring reviews.
59. Checklists or job aids used to monitor for ILCRA, ECOA, FHA, UDAAP, and HMDA compliance.
60. Internal or external ILCRA, ECOA, FHA, UDAAP, and HMDA compliance audit reports and engagement letters for the examination period.
61. Compliance audit schedules for the exam review period and the coming year.
62. Follow-up reports on ILCRA, ECOA, FHA, UDAAP, and HMDA compliance audit exceptions and corrective actions and management responses to the findings. Include tracking reports/logs and supporting documentation for corrective action and post-testing results.
63. Internal or external ILCRA, ECOA, FHA, UDAAP, and HMDA compliance risk assessments and reviews conducted for the examination period.

QUESTIONS

64. Describe any internal monitoring procedures to ensure compliance with applicable laws and regulations including CRA, HMDA, ECOA, FHA, and UDAAP (e.g. HMDA data reviews, pre- and post-closing loan reviews, loan originations, loan denials, etc.). Describe the frequency of reviews (e.g., daily, weekly, monthly) and whether monitoring is conducted pursuant to an established schedule. If applicable, describe any changes to the compliance monitoring process for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

QUESTIONS

65. Describe how deficiencies, findings, and recommendations identified through the monitoring process are documented, reported to management and/or the Board, and tracked to ensure they are corrected and do not reoccur. Describe the process for determining who is held accountable.

66. Describe the frequency of the credit union's compliance audit program and the scope of the regulations or regulatory areas that the audit program covers.

QUESTIONS

67. Describe any changes in the audit program for the examination period (e.g., new auditor, frequency, scope). What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

68. Describe details on the scope and frequency of fair lending audits (ECOA, FHA, HMDA).

QUESTIONS

69. Describe how deficiencies, findings, and recommendations identified through the audit process are documented, reported to management and/or the Board, and tracked to ensure they are corrected and do not reoccur. Describe the process for determining who is held accountable for corrective actions.
70. Describe the details of the methodology and frequency of compliance risk assessments for ILCRA, HMDA, ECOA, Fair Housing Act, and UDAAP. Describe how the results of compliance risk assessments are used to establish the scope of audits and/or monitoring reviews.

SECTION 6: CONSUMER COMPLAINTS

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

71. Policies/procedures for handling consumer complaints.
72. All consumer complaints received by the credit union (or third-party service providers) including those regarding loan originations or servicing, including any complaints alleging discrimination, together with the credit union's responses.
73. Reports of any management reviews of the type, frequency, and distribution of consumer complaints. Include the reports or analyses of any trends or patterns identified.
74. All complaint tracking records.
75. For the significant issues identified involving consumer harm, provide documentation related to any consumer restitution or reimbursements.

QUESTIONS

76. Describe the credit union's procedures for handling consumer inquiries as well as verbal and written consumer complaints received by the credit union or by third parties. If the credit union has relationships with third parties, explain who is responsible for responding to complaints and how complaint documentation is shared with the credit union. Describe how the credit union monitors inquiries and complaints for trends or patterns, and how complaints are reported to the Board, if applicable.

QUESTIONS

77. Describe any changes to the credit union's policies or procedures as a result of any complaint(s).

78. Describe the significant issues identified involving consumer harm that resulted in the credit union providing any form of restitution or reimbursements to a consumer. Indicate whether the restitution was requested by a regulatory agency or how the situation was identified (e.g., self-identified through monitoring or audit, consumer complaint).

QUESTIONS

79. Describe any consumer related litigation, pending litigation, claims, settlements, judgments, or assessments in which the institution is or is likely to become involved and provide access to related records.

80. Describe any litigation resolved during the review period and the outcome and provide access to related records.

PART II: LENDING COMPLIANCE

SECTION 1: GENERAL

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

81. A list of all fees that are typically charged for consumer loans.
82. A list of all fees that are typically charged for residential real estate loans originated directly by the credit union or through a third party. If applicable, please provide a list of third party providers and explain how they were determined.

QUESTIONS

83. Describe the process by which the credit union's loan products are offered, originated, or serviced through or with a third party. Describe the nature and extent of any third party involvement, including a description of efforts on behalf of the credit union to ensure any third party maintains compliance with all applicable consumer protection laws and regulations.

QUESTIONS

84. Describe how loans are processed, including whether multiple individuals/branches/areas generate loan disclosures and documents and whether the process varies for in-house versus secondary market loans. Describe this separately for consumer loans, for residential loans, and for agricultural/commercial loans.

85. Describe the credit union's procedures for receiving loan payments (e.g., establishing a cut-off time, received only Monday-Friday), and indicate whether these procedures have been distributed in writing to loan customers. Describe any differences in processing of payments between mortgage loans, credit cards, other open-end products, and other installment loan products.

QUESTIONS

86. For any consumer loan product with a prepayment penalty, describe the circumstances under which a prepayment penalty would apply.

87. If any of the credit union's loan contracts or other agreements for consumer credit include terms require mandatory arbitration clauses and waivers of certain consumer rights, indicate which loan product(s) contain these terms.

QUESTIONS

88. The details of any loan products, programs, services, or features, including those offered through a third party, that the credit union discontinued for the examination period. Include the date(s) discontinued.

89. Describe any changes to the terms or fees on any loan product or service for the examination period, including details on what the changes were, the reasons for the change, and the effective date.

QUESTIONS

90. Describe the credit union's procedures for providing an applicant the appraisal disclosure and a copy of all appraisals and other written valuations, as applicable, developed in connection with an application for credit to be secured by a dwelling.

91. Describe the method(s) used to accrue interest on loans (e.g., add-on, discount, simple) and indicate any differences by loan type.

QUESTIONS

92. If the credit union offers any payment or interest deferral options, indicate which loan types, the options available, how deferred payments or interest are calculated, the period of time deferral available, and any other pertinent details about the options.

93. Describe any deferred payment program(s) offered. For each program, provide details about how the program was offered, marketed, or advertised, the length of the program, any conditions or restrictions on eligibility, how fees are assessed, and any other relevant information.

SECTION 2: LENDING CHANNELS OR ARRANGEMENTS

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUEST(S)

94. A list of referrals sent to a third party for the examination period. The list should include, at a minimum and when applicable, the following for each referral: the borrower's name(s), application number, application date, loan amount, amount(s) of compensation received or paid on each, and the name of each third party (if multiple arrangements).

QUESTIONS

95. Describe the nature of any arrangement(s) where the credit union refers loans to a third party. For each arrangement, include details such as the types of loans subject to referrals; the services/activities the credit union and third party provide/conduct; how compensation (monetary and/or nonmonetary) is determined and distributed, including any amounts paid by the consumer to either party in connection with the transaction; and any affiliation (direct or indirect).

SECTION 3: EQUAL CREDIT OPPORTUNITY ACT (ECOA) AND FAIR HOUSING ACT (FHA)

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

- 96. Credit underwriting worksheets, loan prequalification sheets or similar forms.
- 97. A list of exceptions that were made to the appraisal policies for the examination period.
- 98. A list of approved appraisers and appraisal management companies. Note any changes for the examination period.
- 99. A list of loans that exceed any supervisory loan-to-value limit.
- 100. A list of denied and withdrawn loan applications for all consumer, residential real estate, and commercial loan applicants for the examination period.
- 101. All rate sheets and fee schedules, including effective dates, for the examination period.
- 102. The underwriting and pricing exception tracking log.

QUESTIONS

- 103. Describe the procedures followed when the credit union takes adverse action on a verbal or written credit application. Include details about how the credit union ensures notification of action taken is provided timely and complies with the disclosure requirements of applicable regulations. Describe any differences by product type (e.g., residential real estate, consumer, commercial).

QUESTIONS

104. Describe procedures for maintaining credit information on married customers.

105. What are the credit union's procedures used to determine whether individuals are seeking to be joint applicants?
How does the credit union document the intent of the individuals?

QUESTIONS

106. Under what circumstances, if any, does the institution require a spouse to guarantee or co-sign a loan to their spouse?

107. Describe the credit union's loan application and decision-making process for loans. Indicate whether loan decisions are handled by a single department or if multiple individuals, branches, and departments have the ability to make independent credit decisions. Include details as to who takes applications and how a loan is routed for underwriting and approval. Describe any differences by product or lending channel/system.

QUESTIONS

108. Identify the individual(s) who can provide access to documentation concerning loan denials and withdrawals for all consumer and business loan applications for the examination period.
109. Describe how the underwriting process changed for any product for the examination period, including details on what the changes were, the reasons for the change, the effective date. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

QUESTIONS

110. Describe the secondary review process for denied loan applications, including details about the scope and timing of the review. If applicable, describe any efforts to ensure fair lending compliance (e.g., an underwriting comparative file review).
111. Describe the credit union's loan pricing process. Include details as to who determines pricing, how often interest rates and fees change, and how interest rates and fees are communicated to lending staff. Describe any differences by product type (e.g., residential real estate, consumer, commercial).

QUESTIONS

112. Describe the credit union's process for informing prospective applicants of the various loan product options and determining which products to offer applicants. Provide details regarding how credit union personnel may refer applicants to alternative loan products, including products offered within the same area of the credit union or through a different lending channel such as a mortgage division, subsidiary, or affiliate. Indicate how the credit union documents the applicant's choice of loan product or lending channel.
113. Explain whether an application that is denied for a specific product can then be referred and underwritten for a different product, including products offered within the same area of the credit union or through a different lending channel such as a mortgage division, subsidiary or affiliate. If so, describe the process by which denied loan applications may be referred from one product to another.

QUESTIONS

114. For commercial and agricultural loans offered by the credit union, how does the credit union determine who the primary applicant is and whether additional co-signors or guarantors are required? When personal assets are offered as security, how does the credit union determine who needs to be a signatory on security agreements only versus on both the promissory note and security agreement(s)?
115. Describe the credit union's procedures when obtaining continuing guarantees, cross collateralization agreements, and/or combination promissory and security agreement instruments to ensure that only the necessary parties are included in the various agreements.

QUESTIONS

116. Describe the credit union's compliance management system relating to appraisals or other property valuation methods, including any training, monitoring or audit processes. Provide details about what is included in such reviews, who performs the reviews, the timing and frequency of reviews, and how the reviews include fair lending considerations. To the extent applicable, this should also include any description of the credit union's efforts to monitor the activities of third parties involved in the appraisal process.

Note: Appraisal-related requests under this area pertain to compliance efforts under ECOA and FHA. These requests do not pertain to the following: Title XI, Part 323 of the FDIC regulations; ECOA Section 1002.14; TILA Section 1026.35(c); or TILA Section 1026.42.

117. Describe the credit union's process for identifying and resolving appraisal or other property valuation related inquiries or complaints, including the circumstances under which a reconsideration of value or second appraisal or valuation are ordered. Describe this process for both complaints received by the credit union and any third parties involved in the appraisal process.

QUESTIONS

118. Describe the credit union's appraisal and valuation process for mortgage applications, including details on the following areas, as applicable. Describe any differences by product or lending channel/system.

- Appraisal and valuation ordering and review process;
- when appraisals or other valuation methods are used or required;
- when existing appraisal or valuation reports can be relied on instead of a new appraisal;
- when various types of property inspections are used;
- when various types of valuation approaches (e.g. sales approach, income approach, cost approach) are used;
- under what circumstances a second appraisal or valuation is ordered; and
- whether discretion is allowed in any aspect of the valuation process and how the discretion is applied.

119. Describe how appraisers are selected, including initial due diligence and any ongoing due diligence. Describe any differences by product or lending channel/system.

QUESTIONS

120. If any appraiser or appraisal management company was removed from the list, explain why.

121. Describe who conducts collateral evaluations for the credit union, including the level of real estate-related training and experience, and knowledge of the market relevant to subject properties.

QUESTIONS

122. Describe the steps the credit union takes when a property is valued below the contracted purchase price or loan amount.

123. Describe the credit union's process for reconsiderations of value (ROV), whether formal or informal. Include details about what circumstances an ROV would be requested by the credit union, under what circumstances and how an ROV can be requested by the applicant, and whether information about the ROV is provided to applicants during the application process.

QUESTIONS

124. Describe how any of the credit union's appraisal policies or processes vary by geographic location.

125. Describe how property valuations are used in the underwriting process (e.g. loan-to-value limits).

QUESTIONS

126. Describe how property valuations are used in the credit pricing process (e.g., how the property value affects the interest rate or loan terms).

PART III: DEPOSIT COMPLIANCE

SECTION 1: GENERAL

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

127. Describe any new deposit products, programs, services, or features introduced for the examination period, including implementation dates. Indicate which of the products, programs, services, or features are offered through a third party, if any. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

QUESTIONS

128. Describe the pre-implementation planning process for any new deposit products, programs, services, or features introduced for the examination period. What if any changes have been made to address ILCRA and fair lending compliance responsibilities?

129. Describe how compliance or legal personnel are involved in the development, marketing, and advertising of new deposit products, programs, services, or features.

SECTION 2: ELECTRONIC FUND TRANSFER ACT (EFTA)

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

130. List all EFT services performed by the credit union, including, but not limited to:

- Direct deposit (including Social Security transfers)
- Preauthorized withdrawal of funds
- ATM transfers
- Point-of-sale (POS) terminal transfers; and
- Electronic check conversion

131. List any new EFT services implemented by the credit union for the examination period.

PART IV: OTHER REGULATIONS

SECTION 1: FAIR CREDIT REPORTING ACT (FCRA)

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

132. Describe the credit union's procedures for obtaining consumer reports on prospective or current credit union members.

133. Describe the credit union's processes for furnishing information to consumer reporting agencies and for ensuring the information is accurate. Include routine transmissions of data and the process or resolving accuracy and error disputes received from consumer reporting agencies and from consumers.

QUESTIONS

134. Describe the controls in place to ensure that consumer report information obtained from consumer reporting agencies are obtained only for permissible purposes, including controls on employee access to consumer credit reports and credit score information.

135. Describe the credit union's procedures for responding to a consumer's request for information regarding adverse action that was based upon information received from an outside source (other than consumer reporting agency).

QUESTIONS

136. Describe the type(s) of loan products for which information is reported to consumer reporting agencies and describe any loan related events where the credit union would no longer report individual loan information to the consumer reporting agency.

137. Describe the credit union's procedures for prevention of re-pollution of consumer reports (see Section 623(a)(6) of the FCRA, 15U.S.C 1681s-2).

QUESTIONS

138. Describe the credit union's procedures for reporting verified customer addresses to credit bureaus when address discrepancies are identified.

139. Describe the credit union's procedures for confirming addresses in the event the address reported by the credit bureau and that reported by a consumer differ.

QUESTIONS

140. Describe the credit union's procedures for assessing the validity of a reported change of address for a consumer's debit or credit card account, and how the credit union monitors the account for additional or replacement cards.

SECTION 2: ADVERTISING AND MARKETING

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUEST(S)

141. The credit union's advertising and marketing plan.

QUESTIONS

142. Describe the credit union's marketing and advertising strategy. Indicate whether the credit union advertises or markets specific interest rates and terms for products or if advertisements and marketing are general in nature.

143. Does the credit union review marketing plans and advertisements for compliance? If so, describe the process. In addition, describe the credit union's process for reviewing marketing plans and advertisements for fair lending compliance. Specifically, explain who conducts the review, the timing of the review, and the scope of the review.

QUESTIONS

144. Describe how the credit union's marketing or outreach efforts focus on a specific product, geographic area, or demographic group. State which products were advertised and when and include a description of the targeting efforts. This description should include a discussion of the credit union's methodology for developing the targeted advertisements.

145. Indicate which employees or third parties conduct marketing and outreach activities for the credit union. Describe how the credit union provides guidance to these individuals, including any efforts to monitor such activity.

SECTION 3: DEBT COLLECTION

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

146. Describe the credit union's, or any applicable third party's, debt collection practices. Include the following:

- who is responsible for collections (e.g., loan officer, collection department, third party);
- whether any applicable third parties are affiliates of the credit union;
- indicate if collection policies and procedures are informal or formal;
- communication methods with consumers (e.g., phone calls, e-mails, text messages, other messaging systems, or delinquency/collection notices);
- when, where, and with whom communication is permitted, including the frequency of contact;
- methods of verifying the age, accuracy, and validity of the debt before collecting it, filing a legal claim (such as a judgment), or before selling, assigning, or transferring it to a third party;
- management and Board monitoring of collection activities, including frequency and scope;
- procedures for collecting time-barred debt (i.e., debt for which the applicable statute of limitations has expired);
- compensation practices or programs for debt collection activities; and
- procedures for handling consumer disputes about a debt and requests from consumers to cease further communications.

QUESTIONS

147. Describe the process for handling a consumer's single payment on multiple debts.

148. Describe how debt that has been paid or settled or discharged in bankruptcy is collected.

QUESTIONS

149. Describe the process for commencing legal action against a consumer to collect debt.

SECTION 4: DIGITAL ADVERTISING/SOCIAL MEDIA

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

150. Describe the credit union's use of digital advertising (e.g., search engine marketing, display advertisements, social media, etc.). With respect to social media, describe what controls are in place for setting up and maintaining social media sites, including the development, oversight, and monitoring. List the products and services advertised since the previous examination and indicate which sites the advertisements are posted on. Describe any third party involvement in such activities.

QUESTIONS

151. Describe how the credit union monitors and responds to communication received through social media sites, including complaints and inquiries.

152. Describe how the credit union monitors employee participation in social media representing the credit union.

SECTION 5: THIRD-PARTY RELATIONSHIPS

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS (N/A)

QUESTIONS

153. List and describe the credit union's relationships with significant third parties, including but not limited to service providers. A third-party relationship should be considered significant if:

- the credit union's relationship with the third party is a new relationship or involves implementing new credit union activities;
- the relationship has a material effect on the credit union's revenues or expenses;
- the third party performs critical functions;
- the third party stores, accesses, transmits, or performs transactions on sensitive customer information;
- the relationship significantly increases the credit union's geographic market;
- the third party markets products or services directly to credit union customers that could pose a risk of financial loss to the individual;
- the third party provides a product or performs a service involving lending or card payment transactions;
- the third party poses risks that could significantly affect earnings or capital; and
- the third party provides a product or performs a service that covers or could cover a large number of consumers and/or implicates several or higher risk consumer protection regulations.

Include, at a minimum, the following:

- third party's name, preferably as reflected in the contract/agreement or in updated information (e.g., a name change resulting from a merger or acquisition);
- indicate which factor(s) from the bulleted list above makes this a significant party;
- date the relationship was established, terminated, or otherwise changed in the last 25 months;
- specific name(s), if any, of the products or services offered;
- product or service type (e.g., add-on products, call center services, core processor, debit card, loan servicing, consumer/commercial/mortgage/student loans);
- indicate whether the product or service involves any of the following emerging technologies: alternative data/big data; application programming interface/open banking; artificial intelligence/machine learning/data science; digital asset/distributed ledger/smart contract; digital lending/marketplace lending/peer-to-peer lending; digital only/neo-bank; payments; regulatory technology; or other emerging technology with a description;
- date the product or service was established, discontinued, or otherwise changed since the previous examination; and
- a brief description of the credit union's arrangement with the third party, describing each party's roles and responsibilities and whether the third party has direct interaction with the credit union's customers.

QUESTIONS

154. Describe the risk management process for new third-party arrangements, including information on the risk assessment, due diligence in selecting the third party, and contract structuring and review. Describe how the credit union ensures the third party is operating in a manner consistent with consumer protection regulations prior to entering into a new arrangement.
155. Describe the credit union's ongoing monitoring and oversight of third-party activities, including how credit union management reviews the third party's operations and monitors for compliance with applicable regulations. Describe which employees are responsible for monitoring and oversight of each third-party relationship, and how results of oversight activities are reported to the Board.

QUESTIONS

156. Does the credit union provide any products or services for any third parties? If so, describe the products or services provided and the credit union's role in the relationship.

157. Describe any litigation the credit union is aware of or involved in regarding third-party arrangements.

PART V: COMMUNITY REINVESTMENT ACT

Please provide responses to the following requested documents and questions. If any questions are inapplicable, please note N/A. If any documents are unavailable or inapplicable to your credit union, please provide an explanation in your response.

DOCUMENT REQUESTS

158. Provide a copy of any branch closing or relocation policy.
159. List any branches opened, relocated or closed during the examination period, including a list of the services generally offered at branches, street addresses, census tracts, date of event, and reason for opening, relocating, or closing.
160. Any ILCRA self-assessment(s) or analysis performed by the credit union or third party.
161. Customer surveys aimed at identifying products and service needs.
162. Information relevant to the credit union's ability to meet community credit needs.
163. Credit union management's evaluation of the significance of the credit union to an assessment field (i.e. deposit market share, number of branches, and market share of reportable loans and lending-related services, as compared with other financial institutions).
164. The credit union's strategic focus, business plan, and annual reports for the entire evaluation period.
165. Provide information regarding any innovative or flexible lending programs in which the institution participates in for housing, small businesses, or small farms. Include rates, terms and conditions, and qualifying ratios.
166. A list of the credit union's qualified community development loans, investments, as well as any related supporting documentation.
167. A list of qualified community development services as well as any related supporting documentation. Include officer and director involvement with community organizations on behalf of the institution as well as any educational seminars or programs that the institution has sponsored or participated in.
168. If the credit union participates in any special loan programs, provide a list of the programs (e.g., SBA & VA loans, first time homebuyer, state-sponsored, foreclosure prevention). If the credit union offers such loans and wishes to receive consideration in the performance evaluation, indicate and provide the total number and original dollar amount originated by credit union for the examination period.
169. A list of participations (sold and purchased) for the examination period. For purchases, provide the amount purchased as well as the total amount of the loan originated by the lead lender. For loans sold, provide the total dollar amount of the original loan.
170. If the credit union has received any written ILCRA comments since the previous examination, provide the comments and any responses.
171. If the credit union has a ILCRA committee, list the members and provide minutes of the meetings for the examination period.

DOCUMENT REQUESTS

172. Supporting documentation if the credit union has provided any of the following financial services in its assessment area(s) for the examination period.
- a. activities to ascertain the financial services needs of the community, including communication with community members regarding the financial services provided;
 - b. extent of marketing to make members of the community aware of the financial services offered;
 - c. origination of mortgage loans including, but not limited to, home improvement and rehabilitation loans, and other efforts to assist existing low-income and moderate-income resident to be able to remain in affordable housing in their neighborhoods;
 - d. for small business lenders, the origination of loans to businesses with gross annual revenues of \$1,000,000.00 or less, particularly those in low-income and moderate-income neighborhoods;
 - e. participation, including investments, in community development and redevelopment programs, small business technical assistance programs, minority-owned depository institutions, community development financial institutions, and mutually owned financial institutions;
 - f. efforts working with delinquent customers to facilitate a resolution of the delinquency; and
 - g. list of retail banking services offered to unbanked and underbanked persons.

QUESTIONS

173. Information regarding any innovative or flexible lending programs in which the institution participates in for housing, small businesses, or small farms. Include rates, terms and conditions, and qualifying ratios.

QUESTIONS

174. Describe how the credit union is meeting the needs of low-and-moderate income individuals.