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Office of the
Comptroller of the Currency
U.S. Department of the Treasury

OCC BULLETIN 2017-48

Subject: Bank Enforcement Actions and Related Matters

Date: October 31, 2017

Replaced - See OCC 2018-41

To: Chief Executive Officers of All National Banks, Federal Savings Associations, and Federal Branches and Agencies; Department and Division Heads; All Examining Personnel; and Other Interested Parties

Description: Updated Guidance

Summary

The Office of the Comptroller of the Currency (OCC) updated today its policies and procedures regarding bank enforcement actions and related matters. This policy is effective on December 1, 2017. The updates are reflected in the “Bank Supervision Process,” “Community Bank Supervision,” “Federal Branches and Agencies Supervision,” and “Large Bank Supervision” booklets of the *Comptroller’s Handbook*. The updates provide the agency with guidelines on consistent terminology, communication, format, follow-up, analysis, documentation, and reporting of bank enforcement actions.

The updated policies and procedures do not address civil money penalty actions or enforcement actions against individuals. Operating agreements and conditions imposed in the context of a bank’s licensing filing are also excluded from the scope of the updated policies and procedures.

This bulletin rescinds OCC Bulletin 2011-37, “Bank and Federal Savings Association Supervision Operation: Enforcement Action Policy,” issued September 9, 2011.

Note for Community Banks

The updated policies and procedures apply to all national banks, federal savings associations, and federal branches and agencies.

Highlights

The OCC’s updated policies and procedures reflect the principles important in implementing the OCC’s mission of ensuring safe and sound bank operations. Here are the goals and practices the agency is implementing:

- Ensure agency-wide consistency of the enforcement action process.
- Reinforce the importance of timely and thorough follow-up and tracking of bank management’s corrective actions and milestones to those actions.
- Communicate a bank’s compliance or noncompliance with an enforcement action in a consistent format using consistent terminology.

- Convey the relationship between violations, concerns documented in matters requiring attention, and enforcement actions.
- Emphasize the need for examiners to communicate effectively and in a timely manner with the bank's board of directors, the bank's management team, and OCC supervisors.

Background

In December 2013, an international peer review report recommended that the OCC analyze the effectiveness of the agency's process for handling matters requiring attention and consider, for example, developing controls to better manage the process. In October 2014, the OCC issued Bulletin 2014-52, "Matters Requiring Attention: Updated Guidance," to address the report's recommendations. The OCC determined that the agency could benefit from similar processes regarding enforcement actions.

The OCC's analysis of its enforcement actions process sets the following objectives:

- Enhance standard processes for initiating, tracking, and resolving enforcement actions.
- Ensure the OCC and its business units individually analyze the volume and trends in enforcement actions.
- Use consistent terms and monitoring within and across OCC business units.

Further Information

Banks should contact their OCC supervisory office or Large Bank examiner-in-charge with any questions.

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Related Links

- PPM 5310-3, "Bank Enforcement Actions and Related Matters" (PDF)
- Enforcement Action Types