Summary: This Bulletin supersedes Regulatory Bulletin 4 (RB 4), which contained an informal review process for certain supervisory decisions and implemented section 407 of the Competitive Equality Banking Act of 1987 (CEBA). RB 4, dated November 30, 1988, is rescinded with the issuance of this Bulletin. This Bulletin also replaces the Office of Thrift Supervision’s Memorandum to all Chief Executive Officers, dated April 6, 1992, Subject: Supervisory Review Process.

A review request will not delay the pursuit of any enforcement action or formal investigation or stay the obligation of an institution or institution-affiliated party to comply with any order or other determination resulting from an enforcement action. OTS retains the right to take any action and to apply any standards deemed appropriate to ensure the safety and soundness of an institution.

Procedures for Resolving Disagreements

A. During the Examination

If a disagreement arises during the on-site examination, the difference should be raised directly with the examiner-in-charge (EIC) while at the institution. If issues remain unresolved, the institution should request that the Field Manager be included in the discussions. Disagreements will be briefly noted in the final report of examination (ROE).

B. With the Regional Office

Institutions are encouraged to raise examination-related disagreements that cannot be resolved during the examination with the Regional Office. A supervisory decision in dispute may be raised either orally or in writing to the Assistant Director, Regional Deputy Director, or...
Regional Director. If the institution elects to state the issue or problem in writing, the Chief Executive Officer (CEO) may file an appeal by describing the issue or problem and specifying the related facts. The Regional Office will act within 30 days of receipt of an appeal.

C. With OTS, Washington, D.C.

If the above-described discussions or appeals do not result in a satisfactory resolution to the disagreement, an appeal may be filed with the Deputy Director of Regional Operations (Deputy Director), Washington, D.C., as follows:

- The Board of Directors must review the request for reconsideration and forward one copy of its resolution authorizing such action.

- Institutions must continue to discuss decisions or problems directly with its Regional Office. This Washington review process is available only in cases where the Regional Office has advised the institution in writing of the results of its determination. The institution will have 60 calendar days from its receipt of the document transmitting the Regional Office's decision to file a review request with the Deputy Director at the following address:

  Deputy Director for Regional Operations
  Attention: Assistant Director for Regional Operations
  Office of Thrift Supervision
  1700 G Street, N.W.
  Washington, DC 20552

- The request should be limited to five pages and must contain:
  - A concise statement of the dispute and why it is material. For example, identify the precise loan(s), property, appraisal, etc.
  - The remedy being sought and its financial impact.
  - A citation to any applicable statutes, regulations, policies, or procedures on which the institution relies.
  - Confirmation that the institution has, in the interim, complied with the regulatory actions being reviewed.
  - In cases where an attempt has not been made to resolve the issue with the Regional Director, a detailed statement of those reasons.
  - Copies of any relevant excerpts from the current examination, appraisal report, or correspondence with the region about the action or decision. These copies do not count toward the 5-page limit.
  - The name, address, and telephone number of the individual at the institution designated to provide additional information (if required).

- No fee is required for submission of the request. Institutions are encouraged to minimize costs by preparing review requests themselves rather than using outside attorneys, accountants, or consultants. If warranted by the circumstances and agreed to by the institution, OTS may use outside experts to evaluate issues. In such circumstances, the institution will pay the costs of such experts.

Guidelines for Washington, D.C., Review

- The OTS will acknowledge receipt of a request for review within 5 calendar days of receipt.

- Within 15 calendar days of receipt, the OTS will make a request for any additional information necessary to complete the review.

- The institution shall furnish the additional information as soon as possible or within 30 calendar days of the date of the request, unless the time is extended by the Deputy Director or designee.

- The OTS will provide its decision on the request within 30 days of receipt of the initial request if no additional information is requested or within 30 days of receipt of any additional information.

- The 30-day decision period may be extended for an additional 30 days by written notice to the institution stating the general reason(s) for the extension.

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John F. Downey
Deputy Director for Regional Operations