

OFFICE OF FINANCIAL REGULATION
PREOPENING EXAMINATION DISCUSSION
(discuss with management 1-2 months prior to opening)
_____ Bank

Timetable of events:

Have articles of incorporation been filed? If so, provide copy to Regional Office.

Status of stock issuance?

Status of shareholders' meeting?

Directors' organizational meeting?

Review requirements of Section 658.24, Florida Statutes - copies of the shareholders' and directors' organizational meeting minutes should be forwarded to the OFR within 10 days after the meetings, as well as a detailed accounting of the organizational expenses approved by the shareholders, the bylaws, and the names and titles of the officers.

When will the facility be occupied/When will renovations be complete?

When is the certificate of occupancy expected? Send copy of CO to Regional Office.

What is the projected opening date? (hard/soft)

When will the computer system be fully operational?

Holding company planned? If so, when was application filed?
When was it approved?

EDP

Will EDP be in-house or serviced?

If serviced, who is the primary servicer?

Do the bank engage in electronic banking?

What is the extent of the activities planned in the near future and beyond? Refer to FDIC website for examination manual concerning proper controls.

Capital:

How much capital have you sold?

What is your expected capital at time of opening?

Capital Stock _____

Surplus _____

Total _____

Discuss restrictions on dividends per Florida Statutes

Review stockholder records: (Note what records are computerized)

Properly executed stub or certified mail, return receipt attached to each stub?

Unissued shares under joint custody?

Maintaining adequate stock register with all entries (audit trail)?

Certification by two officers that stock certificates were inventoried?

Suggest sending confirmation form with stock certificate (name, certificate#, and # of shares)

Are there any stock option plans/voting trust agreements? If so, have they been approved by the stockholders, the Board and OFR?

Asset Quality:

What types of lending do you plan to engage in?

Do you have a loan review program?

ALLL methodology

Discuss what is expected regarding real estate evaluations

Any nontraditional banking activities planned?

Will you be selling nondeposit investment products?

Any loan commitments already made or contracted with other institutions?

Management

Any changes in management/Board since OFR and FDIC approval letters?

Any management employment contracts?

Based on performance? If so, explain unsafe and unsound concepts. Please send copies to the Regional Office.

What is your proposed Board meeting schedule?

Review Board approval requirement of Sections 658.48 and 655.0386, Florida Statutes

Discuss need for directors' continuing education and BSA knowledge

Review CAMELS rating system (exhibit)

Discuss importance of fully documenting Board meeting discussions in the minutes, including important FILs.

Earnings

When do you project positive earnings?

Remind of need to reevaluate budget/strategic plan in six months, resubmit to OFR and federal agency

Liquidity

Will you have any borrowings? If so, supply details.

What are your planned investment activities?

Market Sensitivity

Discuss Joint Agency Policy Statement on Interest Rate Risk, emphasizing Board and senior management oversight and measurement system (exhibit)

Has management contracted with a third party for annual review of market sensitivity

Miscellaneous

Have you filed to become a certified public depository?

Have arrangements been made to have an external audit within each calendar year/over the next 5 years? Please send copy of engagement letter to Regional Office.

Review need for management to maintain adequate Call Report workpapers.

Are there any capitalized leases?

Discuss Sarbanes/Oxley