



TEXAS DEPARTMENT OF BANKING

★ *Dedicated to Excellence in Texas Banking* ★

SUPERVISORY MEMORANDUM – 1006

September 7, 2023

TO: All Entities Regulated by the Texas Department of Banking
All Examining Personnel and Department Ombudsman

FROM: Charles G. Cooper, Banking Commissioner

SUBJECT: Request for Reconsideration of Examination Finding (REF)

PURPOSE

It is the policy of the Department to provide sound supervision of the entities it regulates through fair and unbiased examinations and monitoring. In the event that a material disagreement arises regarding an examination finding or rating, the regulated entity may submit a request for the Reconsideration of an Examination Finding (REF). This Supervisory Memorandum addresses the proper process for submitting a REF to the Department.

RECONSIDERATION OF EXAMINATION FINDING DURING AN EXAMINATION

If a material disagreement between Department examiners and an entity under examination arises regarding an examination finding, the entity should first attempt to resolve the dispute with the Examiner-In-Charge (EIC) of the examination. Entities are encouraged to discuss any conflicting issues during an examination with the EIC and to work closely with the EIC to ensure that all available information is received and fully explained.

If a satisfactory resolution is not reached, the entity may further pursue its concerns with the EIC's supervisor. For examinations conducted by the Bank and Trust Supervision Division, the entity may contact the Regional Director, Chief Trust Examiner, Chief IT Security Examiner or the Director of Bank and Trust Supervision. For examinations conducted by the Non-Depository Supervision Division, the Director of Non-Depository Supervision may be contacted.

REQUEST FOR RECONSIDERATION OF REPORT OF EXAMINATION FINDING

If, after the Report of Examination is received and an entity continues to have an unresolved objection with one or more finding(s) or rating(s) in the Report of Examination, the entity may file a written request for review of the matter with the Banking Commissioner. The written request should be submitted through U.S. mail to the Texas Department of Banking Ombudsman at 2601 N. Lamar Blvd., Austin, Texas 78705. A request for a REF should be submitted within 30 days

after receipt of a Report of Examination and should include a full description of the matter in dispute, along with supporting documentation.

The objection(s) will be investigated by the [Ombudsman](#) who is appointed by the Commissioner. The Ombudsman may request additional information from the entity requesting the REF and obtain documents from the examining division. The Ombudsman will perform an independent analysis and make a recommendation to the Commissioner regarding the objection. The Commissioner will issue a final determination in the form of a written response to the entity. The supervised entity requesting the REF has no right to a hearing or further appeal after the Commissioner has rendered a decision.

As a general rule, supervisory decisions and actions continue in effect during this process. However, new supervisory decisions or actions based on examination findings associated with a REF may be suspended until the review is completed and the Commissioner makes a final determination.

WITHDRAWAL OF REQUEST

A REF may be withdrawn by an entity at any time during the review process by submitting a written notice to the Ombudsman.