Regulation O Flowchart

Is Applicant an Insider of the Holding Company, Bank, or Affiliate?

Yes

Is Applicant an Insider of a Correspondent Bank?

No

Reg O Provisions Do Not Apply

Yes

Loan must be made on non-preferential terms

No further requirements

Executive Officers and Directors

1. Payment of overdrafts limited as follows:
   - Underwritten, pre-authorized interest-bearing plan
   - Underwritten, pre-authorized transfer plan
   - Inadvertent overdrafts <$1,000 and paid within 5 days
2. Charge the same fee assessed for any similarly situated non-insider customer

Is insider an executive officer or director?

No

Executive Officers Only

1. Demand clause required
2. Aggregate cannot exceed $100,000 except:
   - Financing secured by 1st lien on residence
   - Financing for children's education
   - Financing fully secured by defined marketable collateral
3. Current detailed financial statement must be provided before extension of credit.

Aggregate of all insider loans limited to 100% of capital & surplus

Civil Money Penalties - FIRREA

Tier 1 - $5,500 per day
Tier 2 - $27,500 per day
Tier 3 - $1.1 million per day