



# GENERAL COUNSEL REGULATORY FOUNDATIONS PROGRAM

## CASE STUDY

Community Bank of Texas\* is a \$1 billion bank with 8 branches getting ready to expand to another market area. However, there have been several instances where tellers and lending staff have made mistakes in putting together deposit or loan documentation. Lending staff have also identified situations where the bank has suffered losses because the form lending documents provided by its technology vendors have made it unnecessarily difficult to collect on some loans. The board feels it would be beneficial to strengthen the deposit and lending operational sides as it is preparing to further expand its deposit and lending operations to reach a larger market and better tailor their deposit and lending products for the bank's markets.

## SOLUTION

Following a referral, the bank approaches Farley Law for suggestions on ways to address the underlying concerns. In discussing the matter with attorneys at Farley Law, bank operations staff and the bank president conclude that it would be beneficial to (a) revisit and update bank policy and procedure for onboarding depositors, (b) provide regular training to tellers and loan staff on best practices in preparing deposit accounts, loan packages, and handling transactions, (c) draft and update needed addendums for deposit and loan documentation, (d) train and develop deposit operations experts to manage questions from new tellers and to handle escalated deposit requests.

## ACTIONS

To achieve these goals the bank engages Farley Law under the firm's General Counsel Regulatory Foundations program for a predetermined timeline of 180 days where the firm will (a) establish and provide a training program for tellers and deposit staff, including a train the trainer program, (b) work with business line leaders to update and refine the bank's deposit policy and processes, (c) work with business line leaders to close gaps in deposit and loan documentation, and (d) serve as a resource for escalated deposit and lending related questions.

*\* While Community Bank of Texas is fictional, this case study represents regular issues that are readily preventable with ongoing support for bank operations.*

## BANK GENERAL COUNSEL PROGRAM

Through the Bank General Counsel Program, Farley Law offers you all the legal information and services you need to feel secure in your decisions and confident in opening new programs. The program offers four tiers of legal access to meet whatever amount of legal needs you may have.

- **Known Legal Expense**

By choosing one of the four program tiers, you have a known legal expense with no costly surprises.

- **Proactive Approach to Business**

You can confidently move forward with solutions to existing challenges or with new strategies to further enhance your bank's business.

- **Cross-Pollination of Ideas**

Our breadth of experience allows access to ideas, information, and opportunities that cannot be produced internally by any one institution.

- **Elevate the Quality and Services of Your Bank**

Have the legal expertise you need to finally deal with your legal questions and build the service offerings you would like to have.



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