

3. For each of the areas listed below, did the board approve subject to conditions any proposed management actions or undertakings that were submitted the board for approval during the past two years?

- Capital and Reserves Yes No
- New, Revised, or Modified Products and Services Yes No
- Marketing Yes No
- Credit Yes No
- Risk (including risk models) Yes No
- Collections Yes No
- Outsourcing Yes No
- Corrective Actions Yes No

4. Does the Board have a standing Risk Management Committee whose primary function is to assist the Board in fulfilling its oversight of sound risk management practices, legal and regulatory compliance and exposure to economic, concentration and reputation risk? Yes No

5. If answered “yes” to question 4, does the committee provide oversight in the following areas:

- Development, validation, compliance review and use of all models utilized: Yes No
 - in all areas of customer acquisition and management Yes No
 - the evaluation of historical programs Yes No
 - the design of tests to determine optimal strategies Yes No
- Staffing of the Risk Management department Yes No
- Management information systems and decision support technology Yes No
- Pro formas and back-end analysis of acquisition and customer programs Yes No
- Knowledge of regulators’ current areas of special focus Yes No
- Approval of programs that would be overrides to existing policies Yes No
- Distribution of accounts by geography, economic segment and customer type Yes No
- Composition, skill, inclusiveness and activity of the Credit Policy Committee Yes No

Oversight of Third-Party Relationships

1. Does the board approve the bank’s risk-based policies that govern the third-party risk management process and identify “critical activities;” i.e. activities that:

- could have significant customer impacts Yes No
- require significant investment in resources to implement the third-party relationship and manage the risk Yes No
- could have a major impact on bank operations if the bank has to find an alternate third party or if the outsourced activity has to be brought in-house Yes No

2. Does the board review and approve management plans for using third parties that involve critical activities? Yes No

3. Does the board review summaries of due diligence results and management’s recommendations to use third parties that involve critical activities? Yes No

4. Does the board approve contracts with third parties that involve critical activities? Yes No

5. Does the board review the results of management’s ongoing monitoring of third-party relationships involving critical activities? Yes No

Training Program for Board Members

1. Does the board have a written, formal training plan covering all board members? Yes No
2. Does the training cover complex products, services, lines of business, and risks that have a significant impact on the bank?
 Yes No
3. Does the formal training plan cover all laws, regulations and supervisory requirements applicable to the bank? Yes No
4. Are individual directors consulted regarding their specific training needs? Yes No
5. Who decides what subject matters will be included or excluded from the training plan? _____
6. How often is the training plan reviewed for potential changes, additions, and continued appropriateness? _____
7. Is training provided by internal or external resources, or a combination of the two? _____

Annual Assessments

1. Does the board perform an annual “director’s audit” of the bank that includes an assessment of the bank’s management team, financial status, and business plans? Yes No
2. Does the board perform an annual self-assessment of the board’s effectiveness? Yes No
3. If an annual self-assessment is performed, does the assessment include the review of the appropriateness and adequacy of each the following:
 - board composition and structure Yes No
 - frequency of meetings Yes No
 - meeting agendas Yes No
 - design, content, and frequency of reports received from business management Yes No