# General Procedures to Evaluate Emergency Capital Investment Program (ECIP) Initial Supplemental Reports in connection with Auditor Attestations

**Purpose**

Treasury understands that certain recipients of ECIP investments ("Participants") and their independent auditors ("Auditors") will enter into an agreed-upon procedures engagement to provide a report to assist the Participant and the ECIP Program in assessing the effectiveness of the Participant's processes and controls, including the completeness and accuracy of the data reported by the Participant in its Initial Supplemental Reports (ISRs), for the use of the Participant and the Department of the Treasury.

The procedures below are intended as a guide for Participants and their Auditors to use in developing agreed-upon procedures to be performed by the Auditor to support the Auditor Attestation required pursuant to Section 4.1(d)(2)(ii) of the Securities Purchase Agreement.

Capitalized terms used and not defined herein have the meanings ascribed to them in the Securities Purchase Agreement or the Instructions for the Initial Supplemental Report for Insured Depository Institutions, Bank Holding Companies, and Savings and Loan Holding Companies, or the Instructions for the Initial Supplemental Report for Credit Unions (as applicable, the "Instructions").

**Guidance Regarding Sample Size**

For Participants reporting fewer than 30 originations in an ISR, agreed-upon procedures should be performed on all transactions. For all other Participants, agreed-upon procedures may be performed on a sample of transactions. Samples should be random and should include a minimum of the higher of five percent of reported originations or 30 originations.

**Reports Subject to the Agreed-Upon Procedures Engagement**

The agreed-upon procedures must be performed with respect to all ISRs initially filed or amended by the Participant during the Participant's most recently completed fiscal year.

In the event a Participant merges with, acquires or completes another business combination with, an institution that is not a participant in ECIP (an "Acquired Institution"), an additional ISR for the Acquired Institution is required to be submitted. This ISR may be subject to an agreed-upon procedures engagement and covered by the applicable Auditor Attestation, pursuant to Section 4.1(d)(2)(ii) of the Securities Purchase Agreement. Instructions to Participants for preparation of these ISRs can be found here.

Inspection of the Participant's procedures and data must involve observation of relevant calculated data points. For example, the Instructions, Section IV, Glossary defines a "Low-income Borrower" as having an income of not more than: (1) for borrowers in Metropolitan Areas, 80% of the area median income; and (2) for borrowers in Non-Metropolitan Areas, the greater of 80% of the area median income; or 80% of the statewide Non-Metropolitan area median income. Thus, in order to determine whether a Participant correctly reported a loan to a Low-income Borrower, the auditor must: (1) identify the borrower's location; (ii) determine the relevant Area Median Income for the borrower's location, using the Area Median Income Dataset available on the ECIP website; and (iii) compare the borrower's income to the relevant threshold of Area Median Income. By performing these recalculations, the Auditor will

be able to express in their findings whether the origination was appropriately reported as a loan to a Low-income Borrower and whether the origination was appropriately included as Deep Impact Lending on Schedule A.

**Schedule A**

1. Recalculate the Origination Data (number of Originations and dollar amount of Originations) reported in Rows 1 through 11 for insured depository institutions (IDIs) and holding companies. In particular, the Auditor should confirm that:

    1.1 Participant correctly reported the total number and total amount of originations by category. Confirm number and total amount of originations reported in Column A and Column B of Schedule A (Rows 1-11 for IDIs and holding companies and Rows 1-2 for credit unions) agree with the Participant's system of record. Confirm that originations during the period covered by the report that were excluded from Columns A and B of Schedule A, Total Originations met criteria for exclusion set forth in the Instructions, Section I.F – Exclusions.

    1.2 Participant correctly reported the total number and total amount of Qualified Lending originations by category. Confirm number and amount of Qualified Lending originations reported in Column C and Column D of Schedule A (Rows 1-11 for IDIs and holding companies and Rows 1-2 for credit unions) agree with the Participant's system of record. For a sample of originations, confirm (1) whether originations that were included on Schedule A, Qualified Lending (i.e., Columns C and D of Schedule A, Rows 1-11 for IDIs and holding companies and Rows 1-2 for credit unions), met the criteria for classification as Qualified Lending (inclusive of Deep Impact Lending).