



 **HOT TOPIC** 
TRIVIA

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HOW TO PLAY

- Your table is your team! Choose your Captain
- Your table number, along with response cards and pens are in the center of each table
- Each question, followed by multiple choice answers, will be read out loud
- Once the question and answers are read, you will have 60 seconds to discuss with your team and write your response (A, B, C, or D) on the card – no internet searches!
- Only one response card is needed for each table
- Make sure to include your table number at the right upper-hand corner on each response to get credit for your answer!
- Captains - Hold the response card in the air to be collected
- Q & A after we finish the trivia game. Use the extra note cards to hold those thoughts!
- The winning table will be announced before the breakout sessions begin.

QUESTION 1

What is the suggested allocation rate for environmental factors when calculating the Allowance for Credit Losses?

A. 5%

B. 2%

C. 1%

D. None of the above



A. 5%

B. 2%

C. 1%

D. None of the above

QUESTION 2

Banks that have Construction concentrations above 100% of total capital must:

- A. Reduce the concentration below 100% within 90 days
- B. Cease all construction lending
- C. Perform portfolio stress testing
- D. All of the above



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- B. Cease all construction lending
- C. Perform portfolio stress testing
- D. All of the above

QUESTION 3

How far in advance does an initial interest rate adjustment notice need to be sent for an adjustable-rate mortgage loan subject to Regulation Z?

A. 60-120 days prior to the rate change date



B. 210-240 days prior to the rate change date

C. 60-120 days prior to the first payment date at the adjusted level

D. 210-240 days prior to the first payment date at the adjusted level

- A. 60-120 days prior to the rate change date
- B. 210-240 days prior to the rate change date
- C. 60-120 days prior to the first payment date at the adjusted level
- D. 210-240 days prior to the first payment date at the adjusted level

QUESTION 4

When performing cash flow analysis on commercial credit, what level of living expenses should be included:

- A. It depends, there is no one-size-fits-all answer
- B. \$25,000
- C. \$5,000 per household member
- D. 10% of gross income



A. It depends, there is no one-size-fits-all answer

B. \$25,000

C. \$5,000 per household member

D. 10% of gross income

QUESTION 5

How long does a bank have to report the results of its investigation of error to the consumer under Reg E?

- A. One business day
- B. Two business days
- C. Three business days
- D. Ten business days



- A. One business day
- B. Two business days
- C. Three business days
- D. Ten business days

QUESTION 6

When preparing its ALCO models, what are the two most important assumptions for a bank to monitor?

- A. Loan prepayments and CD early withdrawals
- B. Loan extension risk and liquidity levels
- C. Deposit betas and decay rates
- D. Loan prepayments and decay rates



- A. Loan prepayments and CD early withdrawals
- B. Loan extension risk and liquidity levels
- C. Deposit betas and decay rates
- D. Loan prepayments and decay rates

QUESTION 7

To what degree should a bank stress test its liquidity position?

- A. 10% deposit runoff
- B. 50% loss of contingent funding sources
- C. 20% loan growth
- D. Far enough to make the bank fail



- A. 10% deposit runoff
- B. 50% loss of contingent funding sources
- C. 20% loan growth
- D. Far enough to make the bank fail

QUESTION 8

According to the FDIC, what factor contributed to the higher number of unprofitable banks in 2023?

- A. Net interest margin compression
- B. Credit problems
- C. Funding ACL to comply with CECL guidelines
- D. Management turnover



**A. Net interest margin
compression**

B. Credit problems

**C. Funding ACL to comply with
CECL guidelines**

D. Management turnover

QUESTION 9

What is the amount of flood insurance coverage required on a property located in a flood hazard area?

- A. Outstanding principal balance
- B. Maximum limit of coverage available for the type of property
- C. Insurable value of the property
- D. The lesser of A, B, and C



- A. Outstanding principal balance
- B. Maximum limit of coverage available for the type of property
- C. Insurable value of the property
- D. The lesser of A, B, and C

QUESTION 10

Regulators have emphasized the importance of managing risks associated with third party relationships. What recent resource was released to assist with this endeavor?

- A. Third-Party Risk Management: A Complete Guide
- B. Third-Party Risk Management: A Guide for Community Banks
- C. Third-Party Risk Management: Resource Guide
- D. Interagency Guidance on Third-Party Relationships



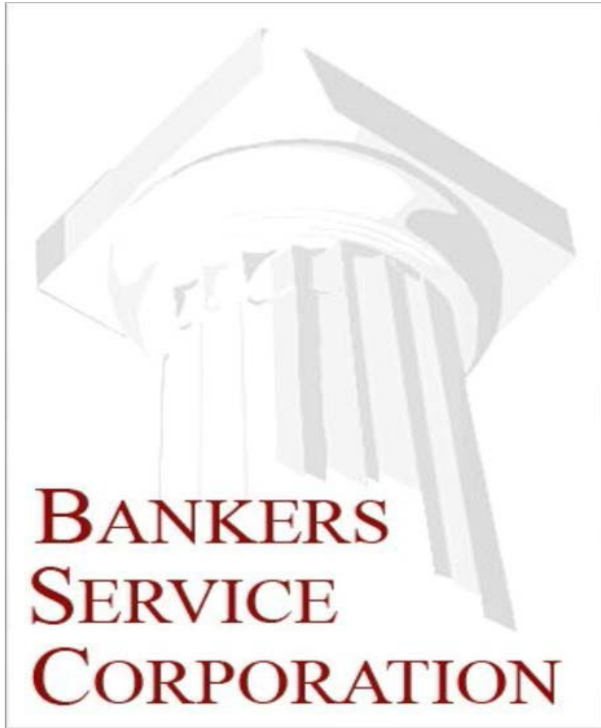
- A. Third-Party Risk Management: A Complete Guide
- B. Third-Party Risk Management: A Guide for Community Banks
- C. Third-Party Risk Management: Resource Guide
- D. Interagency Guidance on Third-Party Risk Relationships

TIEBREAKER!

**What was the total number of
bank branches located in the US
as of 12/31/2023?**



69,997



Questions?

Matt Evans, President & CEO
mevans@bankersservice.com

Ann Renee Campbell, Senior Consultant
acampbell@bankersservice.com

David Coyle, Senior Consultant
dcoyle@bankersservice.com

(859) 263-5427
www.bankersservice.com