

# Public Comment

1/3/2020

**Discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. Unresponsiveness to the credit needs of the low income geographies in Saline County AR MSA 30780.** Bank OZK has been approached in person, by phone, and by email regarding the credit needs of the community and has been unresponsive to opportunities for Community Development Lending and Investments. Considering the size of the bank and the bank's annual business, there should be an increase of these loans and investments at an appropriate size in dollar amount compared to annual business. The bank is not providing fair lending and investments to all populations and income levels.



February 13, 2020

**Delivered via CRA Public File**

Re: Public Comment

Dear Sir or Madame:

This email comes to you in response to the Public Comment hand-delivered to the Bank on January 3, 2020.

Local communities are the heart and soul of Bank OZK. They are where we work and live. We are proud to give back through our core business, philanthropic resources, and employee time and expertise to make our communities even stronger.

We are also proud of the impact made through our Community Reinvestment Act (CRA) efforts by offering a wide-range of products and services to meet the needs of low- and moderate-income individuals, families and small businesses throughout Bank OZK's footprint which includes Saline County, AR. While Saline County does not have low-income geographies, we serve the County's population and areas in the remaining geographic and demographic income levels. To that end, Bank OZK continues to make Community Development Loans and Investments in its Assessment Area when presented with opportunities that meet its lending product offering criteria and funding scopes.

Bank OZK takes all comments seriously and encourages you to view the recently published CRA Performance Evaluation located on the FDIC's website at [www.fdic.gov](http://www.fdic.gov) for details regarding the Bank's responsiveness to community needs commensurate with its size and complexity in a fair manner.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angela Hudson".

Angela Hudson, CRA Officer  
Director - Community Responsibility Administration

# PEOPLE TRUST LOAN FUND, CDFI

## PUBLIC COMMENT

**BANK OZK**

**MSA 30780**

**Inside AA 0017**

The distribution of borrowers does not reflect reasonable penetration of loans among businesses of different sizes and individuals of different income levels.

The geographic distribution of small business loans does not reflect reasonable dispersion throughout the AA 0017

Discriminatory or other illegal credit practices.

Community Contact: People Trust Loan Fund, CDFI target market is (Pulaski and Saline Counties)

Arlo Washington, President 501-404-4855 office

*peopletrust@providingequalopportunities.org*



February 13, 2020

**Via email: [Peopletrust@Providingequalopportunities.org](mailto:Peopletrust@Providingequalopportunities.org)**

Arlo Washington, Executive Director  
5300 W 65<sup>th</sup> Street  
Little Rock, AR 72209

Re: People Trust Loan Fund, CDFI  
Public Comment

Dear Mr. Washington,

This email comes to you in response to the Public Comment hand-delivered to the Bank on January 10, 2020.

Local communities are the heart and soul of Bank OZK. They are where we work and live. We are proud to give back through our core business, philanthropic resources, and employee time and expertise to make our communities even stronger.

We are also proud of the impact made through our Community Reinvestment Act (CRA) efforts by offering a wide-range of products and services to meet the needs of low- and moderate-income individuals, families and small businesses throughout Bank OZK's footprint which includes Pulaski and Saline County, Arkansas.

Bank OZK takes all comments seriously and encourages you to view the recently published CRA Performance Evaluation located on the FDIC's website at [www.fdic.gov](http://www.fdic.gov) for details regarding the Bank's lending distribution in a fair manner consistent with the area demographic and geographic distribution.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angela Hudson".

Angela Hudson, CRA Officer  
Director - Community Responsibility Administration



January 14, 2021

Bank OZK  
17901 Chenal Parkway  
Little Rock, Arkansas 72223

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Dallas Region – Memphis Area Office  
6060 Primacy Parkway, Suite 300  
Memphis, Tennessee 38119

**RE: Comment on Bank OZK 's Community Reinvestment Act (CRA) Performance**

I am submitting this letter to Bank OZK 's Community Reinvestment Act (CRA) public file for consideration on Bank OZK 's CRA Performance Evaluation. I have a couple concerns with Bank OZK small business lending in Dallas and would look forward to meeting with Bank OZK to learn more about the bank's goals and priorities, and to discuss community development needs and opportunities. In particular, I would like Bank OZK and other banks to focus on Southern Dallas as I believe the heightened poverty in my neighborhood has held back my community, and the city of Dallas as a whole, for too long.

**Lending Concerns**

I worked with the National Community Reinvestment Coalition (NCRC) to analyze the small business lending of Bank OZK in Dallas. This is what NCRC found.<sup>1</sup>

- According to the Home Mortgage Disclosure Act (HMDA) data from 2018 to 2019, Bank OZK made a total of 111 in Dallas County. This data demonstrated that in 2019, 76 (68%) of all home loans in Dallas went to minorities however only 11.71% (13) of Bank OZK's home loans were extended to Blacks (African Americans).
  - Dallas County, Texas's estimated population is 2,641,680. Of that approximately 606,168 are African Americans.
  - City of Dallas's estimated population is 1,343,573. Of that approximately 322,457 are African Americans.

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<sup>1</sup> See lending mentioned CRA Report. [https://www7.fdic.gov/CRAPES/2019/00110\\_190520.PDF](https://www7.fdic.gov/CRAPES/2019/00110_190520.PDF)

- Small Business Lending
  - NCRC compared Bank OZK small business lending to other non-credit card small business lenders in Dallas and found that Bank OZK trailed in lending to businesses with less than \$1 million in annual revenue.

Gaps in lending to people of color, borrowers with LMI, and small businesses are usually the result of a lack of products that meet particular credit needs, gaps in marketing, or a lack of partnerships. I believe that working with my organization can improve Bank OZK performance.

From Bank OZK's Performance Evaluation Report:

**SERVICE TEST** Bank OZK demonstrated a low satisfactory record in the State of Texas regarding the Service 178 - TEXAS Test.

### Focus on Southern Dallas

The need in Southern Dallas is well documented. HUD has designated Southern Dallas as a racially or ethnically concentrated area of poverty (R/ECAP) since at least 1990, meaning that since 1990 the population of Southern Dallas has had a poverty rate of at least 40%. That poverty rate is more than double the 16.6% poverty rate for Dallas County as a whole.<sup>2</sup> The Urban Institute looked at economic trends, data on income segregation, housing affordability, job availability, and racial disparities in 274 large US cities from 1980 to 2013 and found that Dallas was the least economically and racially inclusive.<sup>3</sup> Increased obstacles to economic opportunity in Southern Dallas has a negative impact on Dallas as a whole. Numerous studies show that high levels of inequality stunt economic growth as it prevents economies from performing to their full potential.<sup>4</sup> Economies with less inequality not only maximize their productive potential, but also minimize the significant fiscal and social costs of inequality. Childhood poverty—one outcome of insufficiently inclusive growth—costs the U.S. economy an estimated \$500 billion a year, or four percent of GDP, due to lost productivity, higher crime and incarceration, and larger health expenditures. Cities end up bearing these costs, at the expense of other important investments in growth and opportunity.<sup>5</sup> Heightened inequality also creates resentments and hostilities that damage social and political cohesion, which also negatively affects economic growth.

Researchers are also predicting that Southern Dallas will be particularly hard hit by COVID-19, both medically and economically, given the unfortunate correlation between poverty and unfavorable

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<sup>2</sup> "Percent of Population Below the Poverty Level in Dallas County, TX." 2018 Poverty Rate for Dallas County TX. Federal Reserve Bank of St. Louis Economic Research. Available online at <https://fred.stlouisfed.org/series/S1701ACS048113>.

<sup>3</sup> "Inclusive Recovery in US Cities." Urban Institute. April 2018. Available online at [https://www.urban.org/sites/default/files/publication/97981/inclusive\\_recovery\\_in\\_us\\_cities.pdf](https://www.urban.org/sites/default/files/publication/97981/inclusive_recovery_in_us_cities.pdf).

<sup>4</sup> "Introduction: Inequality of Economic Opportunity." Katharine Bradbury and Robert K. Triest. RSF: The Russell Sage Foundation Journal of the Social Sciences, Vol. 2, No. 2, Opportunity, Mobility, and Increased Inequality (May 2016), pp. 1-43. Available online at [https://www.jstor.org/stable/10.7758/rsf.2016.2.2.01#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/10.7758/rsf.2016.2.2.01#metadata_info_tab_contents)

<sup>5</sup> "Opportunity for growth: How reducing barriers to economic inclusion can benefit workers, firms, and local economies." Brookings Institution. Joseph Parilla. September 28, 2017. Available online at <https://www.brookings.edu/research/opportunity-for-growth-how-reducing-barriers-to-economic-inclusion-can-benefit-workers-firms-and-local-economies/>.

health outcomes.<sup>6</sup> I am very concerned about the impact COVID-19 will have on my community that was already facing increasing economic hardship, and I believe that without an intentional focus on Southern Dallas these unfortunate economic trends will continue. To make matters worse, many banks do not include Southern Dallas as part of their CRA assessment area. We were not happy to see that Bank OZK 's Dallas assessment area does Not include all of Dallas County. We would look forward to discussing opportunities for Bank OZK to be responsive to our community needs and position itself as a leader in addressing inequality in Dallas.

The following sections discuss demographic in the Southern Dallas assessment area.

- Southern Dallas is home to 43% of all Dallas residents in just 57% of the city's land area.
- Of the 560,000 residents of neighborhoods in southern Dallas, approximately 38% live below poverty - roughly 9% higher than the City's overall poverty rate of 29%.
- Overall, 56% of Dallas residents living below poverty live in the southern neighborhoods of Dallas.
- *The City of Dallas is a unique place. There is a difference between "South Dallas" and "Southern Dallas".*
- *The Southern Sector of Dallas (Southern Dallas) is commonly defined as those areas south of Interstate 30.*
- *The Southern Dallas is 196.7 total square miles. 45% of the City's residents live in Southern Dallas (91% of the residents are minorities in Southern Dallas). \**

#### **Community Ask:**

- Increase small business loans to minorities by 50%
- Increase small business loans in the Low-Income census tracts by 40%
- Increase mortgage lending to minorities by 50%
- Increase mortgage lending in Low-Income census tracts by 40%
- Advanced implementation of Section 1071 of the Dodd-Frank Act
- Immediate Implementation of Section 342 of the Dodd-Frank Act
- Develop a strategic plan with the input of the Community
  - <https://www.fdic.gov/regulations/community/community/apprlp.html>
- Create positions for CRA Community Development Commercial and Mortgage Loan Officers
- Launch Small Business Cohort Focuses on Small Minority Businesses located in/or Serving Low Income Areas of Southern Dallas
- Include Southern Dallas in your Reasonably Expected Market Area (REMA)
- Perform a credit needs assessment for Southern Dallas
- Make CRA Qualified Investments to minority lead organizations that focus on Southern Dallas
- Establish special purpose credit programs (SPCPs) to address lending disparities in Southern Dallas

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<sup>6</sup> "Mapping the Areas at Highest Risk of Severe COVID19 in Dallas, Austin and San Antonio." UTHealth School of Public Health Institute for Health Policy. April 2, 2020. Available online at [https://sph.uth.edu/research/centers/ihp/COVID-19\\_Dallas\\_Austin\\_SA%20Final\\_4-3-20.docx.pdf](https://sph.uth.edu/research/centers/ihp/COVID-19_Dallas_Austin_SA%20Final_4-3-20.docx.pdf).

- <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-issues-advisory-opinion-to-help-expand-fair-equitable-and-nondiscriminatory-access-to-credit/>

**Conclusion**

We appreciate this opportunity to comment on Bank OZK 's CRA performance and would look forward to discussing a plan for Southern Dallas and be a leader in addressing inequality in Dallas.

Sincerely,

*James McGee*

James McGee  
President/Chair

[JMcGee@SouthernDallasProgress.com](mailto:JMcGee@SouthernDallasProgress.com)

Southern Dallas Progress Community Development Corporation



**Via Email & U.S. Mail**

January 22, 2021

James McGee  
President/Chair  
Southern Dallas Progress Community Development Corporation  
1402 Corinth St #147  
Dallas, Texas 75215

Re: Comment on Bank OZK's Community Reinvestment Act ("CRA") Performance

Dear Mr. McGee:

This email comes to you in response to your comment letter dated January 14, 2021.

Local communities are the heart and soul of Bank OZK. They are where we work and live. We are proud to lend, serve and give back through our products, services, philanthropic resources, and employees' time and expertise to make our communities even stronger. We are also proud of the impact made through our CRA related efforts by offering a wide-range of products and services to meet the needs of low- and moderate-income ("LMI"), Small Business and minority segments throughout the Bank's Assessment Areas, which includes Dallas County in its entirety. During the time-period cited in the comment letter, the Bank has demonstrated the ability to serve the LMI and minority community in the Dallas MSA by meeting and/or exceeding regulatory performance expectations and measurements as well as its peers and competitors.

To that end, the Bank continues to make mortgage and small business loans, employ Community Development and Mortgage professionals and comply with applicable laws and regulations.

Bank OZK takes all comments seriously and encourages you to view the published CRA Performance Evaluation located on the FDIC's website at [www.fdic.gov](http://www.fdic.gov) or on the Bank's website at [https://www.ozk.com/static/cra-performance\\_evaluation-d657a48541a71340e2dd9519917e916d.pdf](https://www.ozk.com/static/cra-performance_evaluation-d657a48541a71340e2dd9519917e916d.pdf) for details regarding the Bank's responsiveness to community needs commensurate with its size and complexity in a fair manner. In addition, the Bank's HMDA and CRA data is publicly available on the FFIEC's website at [www.ffiec.gov](http://www.ffiec.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Angela M. Hudson", with a long, sweeping underline.

Angela M. Hudson  
Director of Community Responsibility & CRA Officer

**From:** Morabito, Nate <[NMorabito@wcnc.com](mailto:NMorabito@wcnc.com)>  
**Sent:** Monday, January 4, 2021 1:57 PM  
**To:** Angela Hudson <[angela.hudson@ozk.com](mailto:angela.hudson@ozk.com)>  
**Subject:** RE: Bank OZK's CRA Public File

**NOTICE:** External Email - Sender is [NMorabito@wcnc.com](mailto:NMorabito@wcnc.com)

Angela,

Happy New Year!

I hope you had a great holiday! I wanted to follow-up with some additional requests.

I've completed my initial analysis of HMDA lending data for your institution, specifically related to race in the Charlotte MSA, which show in 2018 and 2019 Black applicants were disproportionately denied loans and were underrepresented in the total number of loans for the MSA.

I've attached the HMDA data, which I've analyzed, so you can see specifically what I've concluded. I'm eager for you all to provide any additional context you think would be helpful in my understanding of this issue, the past and what the institution is doing moving forward to ensure equity.

In addition, can you please provide me with your HMDA 2020 data broken down by race?

My deadline is Friday, January 15 by close of business.

Please reach out with any questions.

Thank You,  
Nate  
(980) 308-7116



January 8, 2021

Attn: Nate Morabito  
NMorabito@wcnc.com

Dear Mr. Morabito:

Thank you for contacting Bank OZK ("Bank") regarding our Home Mortgage Disclosure Act ("HMDA") data related to 2018 and 2019 as well as a request for 2020 data. I am responding to your follow-up inquiry emailed to Angela Hudson on January 4, 2021.

The Bank performs regular and ongoing analysis of our HMDA data, which includes monitoring our demographic performance in meeting the needs of the communities we serve. The Bank strives to meet the requirements of fair lending laws and regulations, as well as the spirit of those laws.

In your inquiry, you requested clarification related to the Bank's home loan lending in the Charlotte Metropolitan Statistical Area ("MSA"). Your observation was that, based on the Bank's 2018 and 2019 HMDA information, Black applicants were disproportionately denied loans and were underrepresented in the total number of loans for the MSA.

Please note that the Bank refiled its 2019 HMDA Loan Application Register ("LAR") due to self-identified errors in September 2020. The Consumer Financial Protection Bureau has not updated the public data file on their HMDA Data Browser website with the Bank's refiled 2019 data. The site uses a static dataset that was frozen on April 27, 2020; before our resubmission. The refiled 2019 Modified HMDA LAR can be obtained at the following link: <https://ffiec.cfpb.gov/data-publication/modified-lar/2019>. Note that you should select the appropriate year (2019) and enter "Bank OZK" within the Institution Name field.

In the review of the Bank's data, we determined that the Bank's 2018 and (refiled) 2019 HMDA data reflect no statistically significant disparities between Combined Black African/American approval and denial rates and Combined White approval and denial rates, in the Charlotte MSA.

As noted above, the Bank monitors and evaluates lending performance throughout our market areas. The Bank recognizes the importance of meeting the needs in the community we serve commensurate with the spirit of Fair Lending regulations. During 2020, the Bank developed and implemented a Special Purpose Credit Program. This program offers a fixed rate loan, with a higher loan-to-value and eased credit qualifying than our standard lending practices, with a goal to increase lending to minorities in qualified majority-minority census tracts, including the Charlotte MSA.

Bank OZK partners with and supports organizations serving minorities in the Charlotte MSA including Women's Business Center of Charlotte/The Institute Economic Development, Carolina Small Business Development Fund, Prosperity Unlimited, and Prospera, among others. The Bank also provides significant monetary investments and employee service hours in the Charlotte MSA. The communities

in which we operate are the heart and soul of Bank OZK, and we are proud to give back through our core business, philanthropic resources, and employee time and expertise to make our communities even stronger.

In accordance with Federal requirements, the Bank will file its 2020 HMDA LAR on or before March 1, 2021. The data will not be final until filed and is not available to the public until after it's filed.

Please let me know if we can provide any additional information to you.

Sincerely,

A handwritten signature in blue ink that reads "Susan Blair" followed by a long horizontal flourish.

Susan Blair  
Executive Vice President/ Director of Corporate Communication  
Bank OZK



9802-12 Baymeadows Road, #196 | Jacksonville, FL 32256 | O (904) 683-6533 | F (904) 425-6010  
EMAIL [mail@natmc.org](mailto:mail@natmc.org) | WEBSITE [www.natmc.org](http://www.natmc.org)

December 17, 2021

BY ELECTRONIC MAIL: [George.Gleason@ozk.com](mailto:George.Gleason@ozk.com)

Mr. George G. Gleason  
Chairman, President & Chief Executive Officer  
Bank OZK  
17901 Chenal Parkway  
Little Rock, Arkansas 72223

Re: Request for Restoration of Essential Banking Services to Independent ATM Operators

Dear Mr. Gleason:

I am writing in my capacity as Executive Director of The National ATM Council, Inc. (NAC), to request your immediate assistance in an urgent matter resulting from what we hope will turn out to be an unintentional and reversible "timing" issue, but that nonetheless constitutes a categorical, unwarranted, and impolitic denial of essential commercial banking services by Bank OZK to a number of NAC's Independent ATM Operator members.

NAC is the nationwide trade association representing individuals and businesses in the independent ATM industry, which is responsible for nearly sixty percent (60%) of the ATMs in service in the United States, as is shown by a published independent study that we are glad to provide to you upon request. (The study also shows how these independent, bank-sponsored, ATMs are the ones serving the lower socioeconomic communities and citizens across America, to a statistically significant degree.)

Ever since federal authorities launched Operation Choke Point, in 2013, independent ATM owners and operators have experienced increasing difficulties in getting and keeping deposit accounts at insured financial institutions, as a result of the mistaken belief that, because independent ATM businesses necessarily handle large volumes of currency, any bank that deals with them is putting itself at risk of being involved in money-laundering, terrorist financing, or other illegal activities.

In recent years, increasing numbers of financial institutions have, accordingly, terminated the deposit accounts of independent ATM businesses, often without giving any reason other than that their account agreements authorize the institution to close the account at any time, with or without cause. More and more banks also have refused to open new accounts for anyone in the independent ATM industry. These actions have been nothing less than devastating for the affected businesses, because having reliable access to depository banking services is essential for an ATM owner/operator to operate its business.

Such actions also harm those neighborhoods and communities where there are significant numbers of unbanked and underbanked residents, and few or no convenient OZK or other bank branches or ATMs. These independent ATMs provide a cash-access safety net for these

communities that would be greatly impaired if Bank OZK should adhere to its apparently new policy to "de-risk" ATM company accounts.

Many in the ATM industry believed – and continue to believe – that the misunderstandings leading to this severe misjudgment of the risk of banking businesses in our industry were and are a result, in large part, of the misleading and inaccurate characterizations of this industry sector and its operations that, until revisions released this month, were contained in the applicable section of the Federal Financial Institutions Examination Council's BSA/AML Examination Manual.

Over approximately the past six or so years, NAC and many of its members, and its counsel, have had numerous meetings with officials and staff of the FDIC, the Office of the Comptroller of the Currency, the Financial Crimes Enforcement Network, the Consumer Financial Protection Bureau, the FFIEC, and other federal regulatory officials, to seek relief from this seemingly systematic and plainly unwarranted denial of essential retail banking services to the independent ATM industry.

At least partly as a result of these meetings, the FFIEC, just two weeks ago, on December 1st, released a revised and updated version of the section of its examination manual pertaining to examination of banks serving customers in the independent ATM industry. Copies of that revised and updated section, and of the FFIEC's announcement of its release, are enclosed for your information and review.

Against this backdrop, the specific actions by Bank OZK that prompted this letter were taken last week by various offices in at least Texas and Georgia (we are concerned that this new policy is, or will be, in effect throughout the bank). Three members of the NAC Board of Directors all received telephone notices last week that their accounts with the bank are being closed later this month.

I understand, however, from all three of these bank customers that they never received the earlier letters that they have been told by the bank were sent to them, and, just late last week, learned through telephone calls from the bank that their accounts are being closed. Moreover, they've had their accounts with the bank for as much as ten (10) years, and none of them are aware of any issues, difficulties, or irregularities whatsoever that have ever been experienced with their respective accounts. I am further advised that the closure of just these three companies' bank accounts stands to adversely impact thousands of ATM terminals in the affected states served.

It appears clear to us that, under the revised section of the examination manual (as well as according to other supervisory materials), every bank is expected to evaluate its customer relationships by a process of risk-based analysis, which, as is stated in the FDIC's Financial Institution Letter 5-2015, means "to take a risk-based approach in assessing individual customer relationships rather than declining to provide banking services to entire categories of customers, without regard to the risks presented by an individual customer or the financial institution's ability to manage the risk."

The bank customers involved in this matter are aware of no indication that the termination of their accounts is based upon or has involved any such analysis. These customers all are veteran

ATM operators, one of them a former Marine, with spotless records and no indicia that they, or their businesses, present undue risk.

They are good, solid accounts for the bank, and there is no valid basis for kicking them to the curb this way. Rather, Bank OZK's action appears to be yet another instance of a bank that, without having undertaken appropriate analysis or due diligence, has simply determined that it no longer wants to deal with customers in the independent ATM industry and therefore is closing the accounts of its customers in the industry.

If these customers of Bank OZK are unable to open accounts at other financial institutions – which unfortunately cannot be dismissed as unlikely – their businesses will be forced to cease operations, causing inconvenience and hardship to their customers, who rely on ATMs for ready access to cash. Even if they are able to find alternative banks, the financial impacts and disruptions to these firms in having to change accounts, given the nature of the ATM business, would be significant and costly to their operations.

As has been mentioned, another highly troubling aspect of this situation is that all three of these Bank OZK customers first learned only last week, in telephone conversations with bank personnel, that their accounts are being closed – even though the closures are to occur right between Christmas and New Year's. They were told in those conversations that the bank had sent letters to them in October, informing them of the account closures, yet not one of them, to this date, has yet to receive any such letter. The idea that these ATM Operators would have received such letters and not acted on them immediately is not credible, given the vital importance of these accounts to their businesses, the great difficulty frequently encountered in obtaining replacement accounts, and the need for reasonable lead time to implement such account changes, dictated by the technical nature of the ATM business.

Similarly, for a financial institution to provide notice of the closure of such essential commercial accounts as these, via regular US mail rather than registered or certified – and not using overnight mail with receipt signature required, to ensure actual receipt and provide a record of the actual mailing and receipt, is quite disturbing and surprising, to say the least.

And yet, when these customers have called and spoken with branch personnel about this, they all have been told that the cutoff date is carved in stone and will not be changed. Under all these circumstances, the bank's position is both highly inappropriate and highly inequitable, with which I would hope and trust you will concur and seek to redress.

I'm confident you can appreciate that learning of such account closures, and having to deal with the consequences, right at the onset of the holiday season, when ATM usage typically increases dramatically and things are already very busy, and many bank personnel are out on holiday, is extremely distressing to these bank customers, and is likely to prove equally or more distressing to the many thousands of customers who rely on their ATMs for essential cash access. Many of these terminals and the customers they serve are located in communities throughout your service area where there are no OZK or other bank branches or ATMs. These Independent ATMs therefore serve as an essential safety net to the residents in these areas who need access to daily cash/financial services.

Mr. George G. Gleason  
December 17, 2021  
Page 4

Impairing and impeding cash access in this way is contrary to the obligation of every bank to serve the communities in which its offices are located, and it is contrary to the bank's obligations under the Community Reinvestment Act.

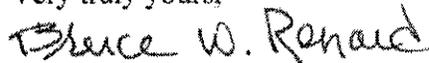
There is no question that the Bank OZK customers in the independent ATM industry who presently are threatened with closure of their deposit accounts provide valuable services to the residents of the communities in which the bank maintains offices, nor is there any question that, if those accounts in fact are closed, that action will result in lasting harm and detriment to those residents and to their communities.

We therefore appeal to your office and respectfully ask that you promptly intercede and suspend these account closures pending further review, particularly in light of the trouble-free history of the accounts and, most importantly, this month's new FFIEC revisions to the relevant portion of its exam manual. Such suspension would allow you time to reconsider whether, under all the relevant circumstances and recent developments, the bank's action reasonably can be considered appropriate, justifiable, and lawful.

Should you need any further information that would be helpful to assist in your consideration of this matter, please let me know as soon as possible and we will be glad to assist.

Thank you in advance for your prompt attention and assistance. We will appreciate receiving your response to this correspondence at the earliest possible time.

Very truly yours,



Bruce W. Renard, Executive Director

cc: Ms. Carmen McClennon, Chief Retail Banking Officer  
Ms. Helen W. Brown, General Counsel & Corporate Secretary [[helen.brown@ozk.com](mailto:helen.brown@ozk.com)]  
Ms. Lisa Harrison, AVP Banking Center Manager [[lisa.harrison@ozk.com](mailto:lisa.harrison@ozk.com)]

Attachments: 11-11-2021 Congressional Correspondence to Federal Bank Regulators  
01-04-2020 Consumer Action Comments/OCC Fair Banking Access Rulemaking

## Angela Hudson

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**From:** bruce natmc.org <bruce@natmc.org>  
**Sent:** Wednesday, December 22, 2021 6:42 AM  
**To:** George Gleason  
**Cc:** Carmen McClennon; Helen Brown; Lisa Harrison; srr natmc.org; lauren natmc.org  
**Subject:** FW: BOZK Closure Letter  
**Attachments:** BOZK Closure Letter Envelope.pdf; BOZK Closure Letter (2982).pdf  
**Importance:** High

**NOTICE: External Email - Sender is bruce@natmc.org. Please MOUSE-HOVER all links and DO NOT open attachments unless verified by the sender as they are legitimate.**

### CONFIDENTIAL COMMUNICATION

Dear Chairman Gleason:

I am writing to you and your colleagues again today, having yet to receive any response to my earlier letter, sent last Friday, given the nature and time sensitivity of the matter at hand.

Although I understand that this is the week before Christmas, first, because Bank OZK has informed three of our NAC Board members that their commercial deposit accounts are to be shut off on dates falling between Christmas and New Year's, and, second, in light of the bank's failure to provide actual notice to any of these customers until the first or second week of December, it is urgent that we receive a prompt response from the bank.

As further substantiation of the facts and circumstances as our members are aware of them, I am forwarding the attached copy of what is, thus far, the only letter received from the bank, by the bank customer to whom it is addressed, giving notice of the account closure, which letter was just received late last week following a phone notification provided Tuesday of last week. Also attached is a copy of the envelope in which the written notice arrived. As you can see, while the letter is dated 10-29-21, the envelope is postmarked December 15th, shortly before the notice letter actually was received. While local bank personnel have claimed that an earlier letter was sent and call made to the customer, this ATM operator, a former US Marine, would be glad to provide written certification and attestation under oath that no such earlier letter/call was ever received. The other two NAC Board Members who being placed in the same jeopardy would gladly do the same.

We continue to believe strongly that these accounts should be restored to their full and active status, since, as stated in my previous letter, we are unaware of any indication that the account referenced in the attached letter—or any of the other accounts slated for closure—present any actual undue risk to the bank, or has ever been involved in any improper acts or transactions. Moreover, as previously noted, these depository accounts are absolutely essential to those independent ATM companies who in turn are providing essential and convenient access to cash in Bank OZK communities that would otherwise lack such access. The availability and price point of this access will surely and needlessly suffer from this denial of banking services to independent ATM providers, as will our most vulnerable citizens who rely upon these ATMs daily for cash access.

At the very minimum, therefore, we believe it only fair and equitable that these account closures be suspended, in order to enable the bank to revisit the subject actions, given, first, the latest FFIEC release in regard to banks' relationships with their customers in the independent ATM industry, and, second, the understandably reasonable need of the affected bank customers, should the bank fail to modify its position, to be afforded adequate advance time for them to

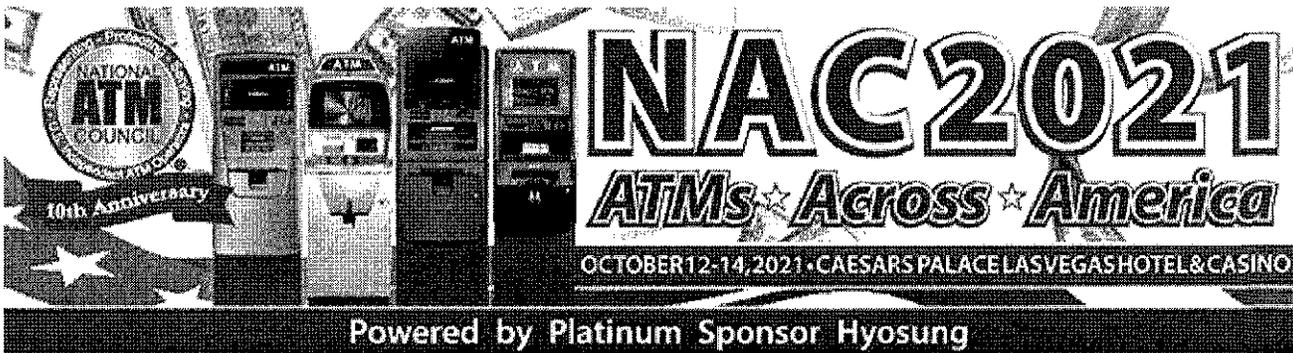
move these accounts in an orderly fashion, without needless interruption or disruption of their businesses, to another institution, if that's even possible.

Thank you once again in advance for your kind consideration, and we will continue to await your reply.

Sincerely yours,

Bruce W. Renard

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