

Personal identifying information has been redacted from this document.

From: [REDACTED]

Sent: Friday, October 7, 2022 11:20 AM

To: [REDACTED]

Subject: [Confidential] RE: RE: RE: [REDACTED]

[REDACTED] - see summary of our call below.

[REDACTED], [REDACTED] and [REDACTED] / met with [REDACTED] / [REDACTED] via a MS Teams call at 10:30am CST on Thursday October 6th. The call was initiated by the client so that all could be seen on camera. On the call from [REDACTED] were [REDACTED], [REDACTED], [REDACTED] and [REDACTED]. [REDACTED] and [REDACTED] were on camera. The other two [REDACTED] participants were not. [REDACTED] and [REDACTED] were all on camera. [REDACTED] introduced the meeting and expressed that the Bank wanted to address and understand the concerns mentioned in the company's email to [REDACTED] and [REDACTED]

[REDACTED] assured them that contrary to their statement in the email, they were definitely not being picked on or singled out. [REDACTED] acknowledged that from their perspective, the bank's questions might seem confusing. The company had been through two years of the pandemic, and now that things seem to be improving, the bank is asking questions and seeking additional financial information. [REDACTED] explained the fact that the customer's line of credit matured on of July 9th, 2022. [REDACTED] explained the bank's process at a high level pointing out that the bank's underwriting group had analyzed the company's financial information from 2020 and 2021, and was not able to approve a renewal of the credit. [REDACTED] further explained why the loan was transitioned into the PAM Group and what the PAM group was trying to do in to support a shorter-term renewal of the line while the bank waits for full year 2022 financial information. The PAM Group had reviewed statements for 2020, 2021 and interim 2022, and was proposing a short term renewal of the line. The only additional item needed was verification of guarantor liquidity not held at Regions. [REDACTED] explained that requesting

liquidity verification was a normal requirement in situations such as this where there is a large cash shortfall to service debt.

█████ expressed several times to the client that they are a customer the Bank wants to continue to do business with, acknowledged the struggles their business has worked through during the Pandemic and how interim 2022 information indicates improving performance. █████ explained at a high level how the Bank assesses risk on loans and explained that all the information being requested by █████ is normal to the Bank's process. █████ also expressed that we would like to renew their loan, and the information being requested was to better understand their business and current financial situation. █████ then paused and asked if the company had any questions or concerns they would like to discuss.

█████ expressed that he felt the Bank was "disrespecting" the cash they had in the Bank and that he was taking more risk by having more deposits at Regions than the balance under the lines. █████ acknowledged his concern and expressed appreciation for his deposit relationship but explained that the amount of deposits, because they are not tied to the loan, do not change the way the Bank evaluates risk on loans. █████ emphasized that the bank was not asking that any cash be pledged as collateral. █████ continued to strongly express that he believed the bank was disrespecting his cash, as well as his company. He further stated that the Bank doesn't like lending to black-owned businesses or lending in the communities his business serves. He also stated that he had talked with numerous other black-owned businesses that expressed similar sentiments. He acknowledged that this was not our problem in our department, but that we were having to deal with it.

█████ asked █████ what he would like the Bank to do in regards to his loan. █████ stated he would like the Bank to renew the credit for 6 months and at the end of that if he still feels disrespected by the Bank then they will pull all their deposits out and figure out how to settle up on the loans. █████ began to speak to clarify his concerns and intentions for the line of credit, but █████ immediately disconnected from the call. The remaining borrower participants remained on the call initially. █████ asked if we had lost █████ and just as █████ began speaking to address that question, the entire call was disconnected. █████ and █████ each thought they may have been disconnected for technical reasons, so each tried to join the call again, but the call had been disconnected by the client. Due to the abrupt ending of the call, we were not certain as to whether █████ definitely plans to move all deposits and loans from Regions during the proposed six month renewal period, or will make that decision later. We also did not have the opportunity to address the specific concerns in the email regarding the borrower's original PPP loan issues and the alleged fraudulent activities on accounts at Regions.

The PAM team will move forward to seek approval for a six-month renewal , or possibly longer from the original maturity date of July 9th. A decision of whether to waive evidence of guarantor liquidity verification will need to be made. It appears that the guarantors are not willing to provide that information. The PAM team will also follow up with internal legal counsel to determine if any further written communication should be sent addressing the other concerns expressed both in the email and in the phone call.

[REDACTED]
Senior Vice President

Regions Bank

1900 5th Avenue North [REDACTED]

Birmingham, AL 35203
[REDACTED]

[REDACTED]

[REDACTED]

You have received this as notification that a customer complaint has been entered in the CCC Database that your department needs to review. If you have questions regarding this email, please contact your department Gatekeeper.

COMPLAINT DETAILS 351732

Attachments

- IMS Email.pdf

Details

Originated By	[REDACTED]
Assigned To	[REDACTED]
Date Submitted	9/28/2022 02:51:12 PM
Complaint Origin	Email
Is this complaint regarding a vendor acting for Regions?	No
Date of Customer Complaint	09/28/2022
Complaint received from	CEO
Referred to	
Customer's First Name	
Customer's Last Name	[REDACTED]
Account Number	[REDACTED]
City of Residence	Jackson
State of Residence	Mississippi
Preferred Method of Contact	Can Contact [REDACTED] Office: [REDACTED]
This complaint is regarding?	Problem Asset Management
Product Category	Problem Asset Management
Issue Category	PAM - Loss Mitigation Not Available
Related Associates	
Complaint Type	<ul style="list-style-type: none"> • Customer threatens to complain or does complain to the Consumer Financial Protection Bureau (CFPB), Federal Reserve Bank (FRB), State of Alabama Banking Department (SBD), Better Business Bureau (BBB), Congress or Regions Executive Offices
Complaint Summary	<p>Good afternoon! [REDACTED] CPA, my Chief Financial Officer shared with me the various correspondences sent by you and other banking officials at Regions Bank regarding the \$180k outstanding loan we have with the bank. We have asked for an in-person meeting; however, was told officials from the bank were only do virtual meetings. Strange as it may sound, people have returned to their offices and resume business as usual. It's our understanding you have asked for additional collateral for the above referenced loan; including more personal commitments and</p>

information from [REDACTED] and me. Although, we continue to maintain, in various accounts, funds in excess of \$700k to \$800k each month, this information has been requested. And now, we have been informed, we have defaulted on that loan. As you know, our risks are greater than Regions Bank's risk since FDIC only insures \$250,000 per depositor, per insured bank, for each account ownership category, in the event of a bank failure. Our problem with Regions Bank didn't just started with the Bank's most recent decision. We had problems when Regions Bank allowed several fraudulent activities to occur on our accounts and refused to address the issues, after being contacted several times. In fact, I was personally told by Regions' former President, [REDACTED], "...it was nothing the Bank could do." Additionally, when Covid hit and Congress authorized the Paycheck Protection Program (PPP Loans), we went to Regions Bank to request that the Bank process our PPP application, we were advised by the Bank "... to go elsewhere because Regions system was not up to accommodate the PPP loan applications processes." This happened while Regions Bank processed several of our white counterparts' PPP Loans. We sincerely hope we aren't being pick out to be picked on. As you know the Community Reinvestment Act (CRA) of 1977, was enacted to address discrimination in loans made to individuals and businesses from low and moderate income neighborhoods. Is Regions Bank meeting its responsibilities to the communities it serves. We are 26 years Black owned business and sincerely believe, we have been discriminated against, are being discriminated against, and are being unjustly treated by Regions Bank. We know what racial discrimination feels and looks like. We won't stand idly by and continue to be discriminated against and treated poorly without drawing attention to Regions banking practices. We know this, if Regions Bank is harassing and discriminating against [REDACTED], we are sure, there are others experiencing the same or worst treatment. In fact, we have discussed this issue with several local Black owned businesses and loan officers who previously worked for Regions. We need to resolve this matter as soon as possible. Again, we are asking for a meeting.

Associate Action or Resolution Taken

Pending

[REPLACE2]

Confidential



January 11, 2022

James McGee
Southern Dallas Progress Community Development Corporation
1402 Corinth Street #147
Dallas, TX 75215

Dear Mr. McGee:

This letter is an acknowledgment of receipt of the letter written on November 7, 2021 in response to Regions Bank's Community Reinvestment Act Performance. I appreciate the dialogue that we've had over the past year and taking time out of your schedule to meet with Dallas Market Executive Tyrus Sanders and myself on October 26, 2021 in Dallas. The information that you have shared regarding the Southern Sector has been helpful as we work to meet needs in the area. As you know, Kay Carroll joined Regions in November and is serving as Vice President/Regional Community Development Manager for the Dallas/Ft. Worth Metropolitan area and will serve as your contact.

Over the past two years, Regions has supported Southern Dallas Progress Community Development Corporation's work to assist small businesses impacted by the COVID-19 pandemic and the 2021 Financial Literacy Fair. We will continue engagement meetings to learn more about community development needs in the area and actively pursue opportunities with various organizations to provide technical assistance and resources. Further, we are committed to concentrating on small business development, affordable housing, financial education and neighborhood revitalization in the Dallas Metropolitan area.

Please feel free to contact Kay Carroll or myself if you have any additional questions.

Warmest Regards,

A handwritten signature in black ink that reads "Latrisha Jemison".

Latrisha Jemison
Senior Vice President
Regional Community Development Manager

cc: Federal Reserve Bank of Atlanta