

§ 24.6

part. All approvals are subject to the condition that a national bank must conduct the approved activity in a manner consistent with any published guidance issued by the OCC regarding the activity.

[61 FR 49660, Sept. 23, 1996, as amended at 64 FR 70991, Dec. 20, 1999]

EFFECTIVE DATE NOTE: At 64 FR 70991, Dec. 20, 1999, § 24.5 was amended by revising paragraphs (a)(1) and (a)(3)(iii); paragraph (a)(3)(v) was amended by adding the word "and" at the end of the paragraph; paragraph (a)(3)(vi) was amended by removing the term "; and" and adding a period in its place; paragraph (a)(3)(vii) was removed; a new paragraph (a)(5) was added and paragraphs (b)(1) and (b)(2)(iii) were revised; effective Jan. 19, 2000. For the convenience of the user, the superseded text is set forth as follows:

§ 24.5 Public welfare investment self-certification and prior approval procedures.

(a) * * *

(1) Subject to § 24.4(a), an eligible bank may make an investment described in § 24.6(a) without prior notification to, or approval by, the OCC if the bank follows the self-certification procedures prescribed in this section.

* * * * *

(3) * * *

(iii) The type of investment (equity or debt), the investment activity listed in § 24.6(a) that the investment supports, and a brief description of the particular investment;

* * * * *

(vii) If a portion of the investment funds projects outside of the areas in which the bank maintains its main office or branches, a statement certifying that no more than 25 percent of the investment funds projects in a state or metropolitan area other than the states or metropolitan areas in which the bank maintains its main office or branches.

(b) * * *

(1) If a national bank or its proposed investment does not meet the requirements for self-certification set forth in paragraph (a) of this section, the bank shall submit a proposal for an investment to the Director, Community Development Division, Office of the Comptroller of the Currency, Washington, DC 20219.

(2) * * *

(iii) The type of investment (equity or debt), the investment activity listed in

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§ 24.3(a) that the investment supports, and a description of the particular investment;

* * * * *

§ 24.6 Examples of qualifying public welfare investments.

(a) Investments that primarily support the following types of activities are examples of investments that meet the requirements of § 24.3(a):

(1) Investments in an entity that finances, acquires, develops, rehabilitates, manages, sells, or rents housing primarily for low- and moderate-income individuals;

(2) Investments that finance small businesses (including equity or debt financing and investments in an entity that provides loan guarantees) that are located in low- and moderate-income areas or that produce or retain permanent jobs, the majority of which are held by low- and moderate-income individuals;

(3) Investments that provide credit counseling, job training, community development research, and similar technical assistance services for non-profit community development organizations, low- and moderate-income individuals or areas, or small businesses located in low- and moderate-income areas or that produce or retain permanent jobs, the majority of which are held by low- and moderate-income individuals;

(4) Investments in an entity that acquires, develops, rehabilitates, manages, sells, or rents commercial or industrial property that is located in a low- and moderate-income area and occupied primarily by small businesses, or that is occupied primarily by small businesses that produce or retain permanent jobs, the majority of which are held by low- and moderate-income individuals;

(5) Investments in a project that qualifies for the Federal low-income housing tax credit;

(6) Investments in low- and moderate-income areas that produce or retain permanent jobs, the majority of which are held by low- and moderate-income individuals;

(7) Investments in a national bank that has been approved by the OCC as

a national bank with a community development focus;

(8) Investments of a type approved by the Federal Reserve Board under 12 CFR 208.22 for state member banks that are consistent with the requirements of §24.3;

(9) Investments in a community development financial institution, as defined in 12 U.S.C. 4702(5); and

(10) Investments of a type previously determined by the OCC to be permissible under this part.

(b) [Reserved]

[61 FR 49660, Sept. 23, 1996, as amended at 64 FR 70991, Dec. 20, 1999]

EFFECTIVE DATE NOTE: At 64 FR 70991, Dec. 20, 1999, §24.6 was amended by revising the section heading, paragraph (a) introductory text, paragraph (a)(5) and paragraph (a)(8); paragraph (a)(9) was redesignated as paragraph (a)(10); paragraph (a)(9) was added and paragraph (b) was removed and reserved, effective Jan. 19, 2000. For the convenience of the user, the superseded text is set forth as follows:

§24.6 Activities eligible for self-certification.

(a) *Eligible activities.* In accordance with the process described in §24.5(a), a bank may self-certify the following investments without prior notice to, or approval by, the OCC:

* * * * *

(5) Investments as a limited partner, or as a partner in an entity that is itself a limited partner, in a project with a general partner that is, or is primarily owned and operated by, a 26 U.S.C. 501(c) (3) or (4) non-profit corporation and that qualifies for the Federal low-income housing tax credit;

* * * * *

(8) Investments of a type approved by the Federal Reserve Board under 12 CFR 208.21 for state member banks that are consistent with the requirements of §24.3; and

* * * * *

(b) *Ineligible activities.* Notwithstanding the provisions of this section, a bank may not self-certify an investment if:

(1) The investment involves properties carried on the bank's books as "other real estate owned";

(2) More than 25 percent of the investment funds projects in a state or metropolitan area other than the states or metropolitan areas in which the bank maintains its main office or branches; or

(3) The OCC determines, in published guidance, that the investment is inappropriate for self-certification.

§24.7 Examination, records, and remedial action.

(a) *Examination.* National bank investments under this part are subject to the examination provisions of 12 U.S.C. 481.

(b) *Records.* Each national bank shall maintain in its files information adequate to demonstrate that it is in compliance with the requirements of this part.

(c) *Remedial action.* If the OCC finds that an investment under this part is in violation of law or regulation, is inconsistent with the safe and sound operation of the bank, or poses a significant risk to a Federal deposit insurance fund, the national bank shall take appropriate remedial action as determined by the OCC.

PART 25—COMMUNITY REINVESTMENT ACT AND INTERSTATE DEPOSIT PRODUCTION REGULATIONS

REGULATIONS

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