

**FEDERAL RESERVE BANK
OF NEW YORK**

Af-Ai. No. 10331

January 2, 1990

**COMMUNITY REINVESTMENT ACT
Proposed Changes to CRA Guidelines and Examination Rating System
Comments Invited by January 29, 1990**

*To All State Member Banks in the Second Federal
Reserve District, and Others Concerned:*

Following is the text of a statement issued by the Federal Financial Institutions Examination Council (FFIEC):

The Examination Council announced that it is issuing for public comment 1) Uniform Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations, and 2) Revisions to the CRA Assessment Rating System.

The Council said that comments must be received by January 29, 1990.

The Council's action is in response to amendments to the CRA contained in the Financial Institutions Reform, Recovery and Enforcement Act of 1989. These amendments require disclosure to the public of a financial institution's CRA rating and require that the Federal regulatory agencies provide a written evaluation of an institution's CRA performance using a four-tiered descriptive rating system.

The comments received from the public will be used by the Council, and the four Federal depository institution regulatory agencies that have responsibility for the CRA, to develop a uniform approach by the agencies to the disclosure of CRA rating information and the written CRA evaluation reports. The comments will also be used in developing modifications to existing agency regulations governing financial institutions' CRA compliance.

Printed on the following pages is the text of the notice issued by the FFIEC and reprinted from the *Federal Register* of December 22, 1989. Comments thereon must be submitted by January 29, 1990, and may be sent to the FFIEC, as specified in the notice, or to our Compliance Examinations Department.

E. GERALD CORRIGAN,
President.

Thursday
December 22, 1989

Registered Federal Reserve

Part VII

Federal Financial Institutions Examination Council

Uniform Interagency Community Reinvestment Act Guidelines for Disclosure of Written Evaluations and Revisions to Assessment Rating System; Notice

**FEDERAL FINANCIAL INSTITUTIONS
EXAMINATION COUNCIL**
**Uniform Interagency Community
Reinvestment Act Guidelines for
Disclosure of Written Evaluations and
Revisions to Assessment Rating
System**

AGENCY: Federal Financial Institutions Examination Council.

ACTION: Notice of request for comments.

SUMMARY: The Federal Financial Institutions Examination Council (FFIEC) is proposing certain changes to the current format of the Community Reinvestment Act (CRA) rating system. These changes are in response to the recent amendments to the CRA occasioned by the passage of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA). The FIRREA amendments to the CRA may be summarized as: (1) Requiring disclosure to the public of an institution's CRA rating; (2) requiring that the Federal regulatory agencies provide a written evaluation of an institution's CRA performance utilizing a four-tiered descriptive rating system, in lieu of the existing five-tiered numerical rating system.

This notice represents an effort, via the FFIEC, by the Federal depository institutions regulatory agencies to develop uniform procedures for both the disclosure of CRA rating information and standardization of written evaluation reports using the existing assessment factors developed for judging CRA performance. This request for comments is intended to provide the public with an early opportunity to comment on the interagency proposal.

The FFIEC will consider the comments received in developing final guidelines that will be issued by each of the regulators. Further, these comments will provide useful input prior to the initiation of rulemakings to modify existing regulations governing financial institutions' CRA compliance.

DATE: Comments must be received on or before January 29, 1990.

ADDRESS: All comments should be sent to Robert J. Lawrence, Executive Secretary, Federal Financial Institutions Examination Council, 1776 G Street NW., Suite 701, Washington, DC 20006 or delivered to the same address between the hours of 9:00 a.m. and 5:00 p.m. on business days.

FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board: Glenn E. Loney,
Assistant Director, Consumer and
Community Affairs (202) 452-3585.

Federal Deposit Insurance Corporation:
Janice M. Smith, Director, Office of
Consumer Affairs (202) 898-3538.
Office of the Comptroller of the
Currency: John H. McDowell, Director,
Consumer Activities Division (202)
287-4265.
Office of Thrift Supervision: Jerauld C.
Kluckman, Director, Division of
Compliance Programs (202) 785-5442.

SUPPLEMENTARY INFORMATION:

Background

Section 1212 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Public Law No. 101-73, 103 Stat. 183 (1989), amended the Community Reinvestment Act of 1977 (CRA), Title VIII, Public Law No. 95-128, 91 Stat. 1147 (12 U.S.C. 2901 *et seq.*). The new section 807, added by FIRREA, promotes the enforcement of CRA by affording the public an opportunity to learn of an institution's rating, while at the same time making available the findings and conclusions used by the applicable Federal depository institution regulator in reaching its specified rating.

The manner in which the disclosure and written evaluation requirements of section 807 are to be implemented is the subject of the following FFIEC proposal. The FFIEC Consumer Compliance Task Force has thoroughly discussed and reviewed the CRA Subcommittee's proposals to comply with the provisions of FIRREA and has recommended them for adoption by the Council. The proposal discusses the implementation of the disclosure provisions, and provides a detailed breakdown of the revised method of evaluating the existing assessment factors to provide written evaluations as mandated by the amendment.

Request for comments

This notice of request for comments is intended to provide an opportunity to comment on the procedure for disclosure of written evaluations and the revisions of the assessment rating system. The FFIEC and the financial regulators will use the comments received to develop final guidelines. The financial regulators will issue the final guidelines to the institutions they supervise. Further, the financial regulators will use the comments in developing proposals to modify their existing regulations governing CRA activities. The FFIEC requests comments regarding any aspect of the attached proposal.

Dated: December 18, 1989.

Robert J. Lawrence,
*Executive Secretary, Federal Financial
Institutions Examination Council.*

**Uniform Interagency Community
Reinvestment Act Guidelines for
Disclosure of Written Evaluations and
Revisions to Assessment Rating System
*Disclosure of Written Evaluations***

The new section 807 of the Community Reinvestment Act (CRA) requires that the appropriate Federal depository institution regulatory agency shall prepare a written evaluation of the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods. Section 807, in addition, requires that these written evaluations have a public and confidential section.

The following proposed procedures detail the manner in which financial institutions will be required to disclose the public portions of their CRA written evaluations.

*Recommended Method of Disclosure
Disclosure by the Financial Institution*

Under this approach:

- The CRA evaluation will be:
 - Prepared by the institution's supervisory agency upon completion of CRA examinations commencing on and after July 1, 1990;
 - Transmitted to the institution at the same time the agency sends the written CRA examination report; a separate document, distinct from the examination report, thereby maintaining the confidentiality of the exam report.
- The institution will make its most current evaluation available to the public within 30 days of its receipt.

An evaluation will be considered "current" until 30 days following the date of receipt of a new evaluation from the institution's supervisory agency.

- The evaluation, at a minimum, will be placed in the institution's CRA public file located at the main office.
- The availability of an institution's evaluation will be set forth in the institution's required CRA public notice, posted in each depository facility, by adding language such as:

You may obtain our current CRA Performance Evaluation, which was prepared by (*name of agency*), at (*address*).

- Each institution will be required to add this language to its CRA notice and complete the posting of such revised notices in all offices, within 30 days of receipt of the first evaluation.

- The institution will be required to provide a copy of its current evaluation to any person, upon request, and will be authorized to charge a fee not to exceed the cost of reproduction.

- The format and content of the institution's evaluation, as prepared and transmitted to the institution by its supervisory agency, will not be altered in any manner.

- The institution will be encouraged to include its response to the evaluation in its CRA public file.

Rationale and Benefits

This approach will provide convenient access by the public to each institution's evaluation. It will:

- Ensure public access to the evaluation in communities served by the institution.

- Be consistent with other requirements already imposed on financial institutions by current CRA regulations (e.g., maintenance of CRA statements and public file; posting of CRA notice).

- Facilitate comparisons by the public of the CRA statement prepared by the institution with the evaluation prepared by the supervisory agency. Indirectly, it could encourage development of well documented, expanded CRA statements by each institution, as recommended by the *Statement of the Federal Financial Supervisory Agencies Regarding the Community Reinvestment Act*. See 54 FR 13742 (April 5, 1989).

- Help encourage greater attention by the institution's board of directors, management and employees to the institution's CRA performance in all community areas served by local depository offices.

Format and Content of Required Written Evaluation

In addressing the format and content of disclosures, the FFIEC believes two considerations should be emphasized. First, the Agencies should try to achieve consistency in preparing the evaluations. Consistency will facilitate public understanding of evaluations and promote a common understanding of CRA. A common understanding shared by community groups, regulators, and depository institutions regarding CRA will result in reasonable expectations and constructive dialogue with respect to CRA issues.

Second, the language used in preparing the CRA evaluations should be simple and concise. Evaluations should be written in a manner understandable to the public. The use of acronyms, technical banking or regulatory terminology, and unexplained banking concepts is discouraged.

Uniform Format

Because of the need for confidential treatment of the examination report, the CRA evaluation will be prepared as a stand-alone document that may be extracted from the CRA examination report, eliminating information precluded by statute or deemed by the agencies to be confidential.

Content of Evaluation

To facilitate understanding of CRA, it is desirable to preface the evaluation with background information outlining the general purposes of the CRA and explaining the evaluation.

The FFIEC also recommends that the agencies do not include in the evaluation the institution's response to CRA examination findings because the response is considered part of the supervisory function. Evaluations should be based only on the examiners' findings. The regulatory agencies will encourage financial institutions to include their response to the evaluation in their CRA public file.

Evaluation Format

To ensure maximum consistency, the regulators will use a standard format. The evaluation will consist of four distinct sections:

Section I—Cover Page and General Information Page

Section II—Rating Information—Summary of CRA Ratings and the Institution's Specific Rating

Section III—Narrative Discussing Performance Under the Assessment Factors and Supporting Facts

Section IV—Additional Information

Section I—Cover Page and General Information

The cover page will include:

1. The date of the evaluation.
2. The name and address of the institution.
3. The name and address of the supervisory agency.

A standard "General Information" page will address the purpose of both the CRA and the public written evaluation. It will also provide a statement on the basis for the rating.

Section II—Rating Information

This page will contain:

- The four ratings specified in section 807 of the CRA. A brief description of each of the ratings will precede the presentation of the particular institution's rating and will provide a standard for comparison. For example, presentation of a "Needs to Improve" rating will clearly be identified as not being the worst possible rating.

- The rating for the institution resulting from the examination.

Section III—Assessment Factors and Supporting Facts

The performance categories will be listed in order. For each category, the relevant assessment factors, as written in the regulation, will be spelled out followed by a narrative supporting the conclusion under each factor.

Section IV—Additional Information

This section may include any other relevant information that does not appropriately fit in other sections, such as the Metropolitan Statistical Area (MSA) in which the institution is located, the location of branches, and the location of the appropriate HMDA depository.

Appendix A

A sample evaluation is presented below.

Appendix A

Sample Evaluation

Public Disclosure

[Date of Evaluation]

Community Reinvestment Act

Performance Evaluation

Name of Depository Institution

Address

Name of Supervisory Agency

Address

General Information

This document is an evaluation of the Community Reinvestment Act (CRA) performance of [Name of depository institution] prepared by [Name of agency], the institution's supervisory agency.

The evaluation represents the agency's current assessment and rating of the institution's CRA performance based on an examination completed as of (the date on the cover). It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after that date.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require

the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

Caution: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Assignment of Rating

Identification of Possible Ratings.

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Institution's Rating:

[Insert Applicable Rating]

Discussion of Institution's Performance

I. Ascertainment of Community Credit Needs

Reasonableness of Delineated Community (Conclusion/Support):

Assessment Factor—Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

(Conclusion/Support):

Assessment Factor—The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

(Conclusion/Support):

II. Marketing and Types of Credit Extended

Assessment Factor—The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

(Conclusion/Support):

Assessment Factor—The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase or such loans originated in its community.

(Conclusion/Support):

Assessment Factor—The institution's participation in governmentally-insured, guaranteed or subsidized loan programs for housing, small businesses, or small farms.

(Conclusion/Support):

III. Geographic Distribution and Record of Opening and Closing Offices

Assessment Factor—The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

(Conclusion/Support):

Assessment Factor—The institution's record of opening and closing offices and providing services at offices.

(Conclusion/Support):

IV. Discrimination and Other Illegal Credit Practices

Assessment Factor—Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

(Conclusion/Support):

Assessment Factor—Evidence of prohibited discriminatory or other illegal credit practices.

(Conclusion/Support):

V. Community Development

Assessment Factor—The institution's participation, including investments, in local community development and redevelopment projects or programs.

(Conclusion/Support):

Assessment Factor—The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

(Conclusion/Support):

Assessment Factor—Any other factors that, in the regulatory authority's judgment,

reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

(Conclusion/Support):

Proposed Revisions to the Uniform Interagency Community Reinvestment Act Assessment Rating System

Introduction

The revised CRA Rating System provides a comprehensive and uniform method for evaluating the CRA performance of federally regulated financial institutions. It ranks the overall performance of financial institutions in helping to meet community credit needs, including those of low- and moderate-income neighborhoods, using a four-tiered descriptive rating system.

These ratings are:

1. "Outstanding record of meeting community credit needs."
2. "Satisfactory record of meeting community credit needs."
3. "Needs to improve record of meeting community credit needs."
4. "Substantial noncompliance in meeting community credit needs."

The overall performance of an institution is based on its performance in helping to meet various community credit needs. The assessment process uses five "performance categories" which represent a grouping of the twelve assessment factors contained in the regulations which implement the Act.

The assessment of an institution's record in helping to meet community credit needs takes into account a number of factors—the financial capacity and size of the institution, legal impediments, local and regional economic conditions and demographics, and the competitive environment in which the institution operates. All of these factors have a significant bearing on how the institution fulfills its obligation to help meet the credit needs of its community.

A variety of unique, complex factors are reviewed and assessed by examiners to reach conclusions and appropriate recommendations regarding an institution's record of CRA performance. The performance of the institution is primarily related to the financial and managerial capability of the institution to meet the credit needs of the community.

Because of the various factors considered in the assessment of an institution's record of CRA performance, it should be remembered that the guidelines provided are generally descriptive and that all attributes do not apply to every institution. Examiners are expected to use their judgment in determining the rating that best describes the institution's performance under CRA.

To maintain a balanced perspective, examiners must carefully consider information provided by both the institution and the community. Assessing the CRA performance of an institution is a process that does not rely on absolute standards. However, compliance with antidiscrimination laws and regulations, including fair lending and fair housing laws, has great significance in reaching the overall conclusion.

In applying the CRA Rating System, consideration is given to the guidance provided by the *Statement of the Federal Financial Supervisory Agencies Regarding the Community Reinvestment Act*. (Joint Statement) See 54 FR 13742 (April 5, 1989). The Joint Statement identifies the various types of policies, procedures and programs the agencies believe constitute a financial institution's sound approach to fulfilling their CRA responsibilities.

Pursuant to the Joint Statement, an effective CRA process should include methods to ascertain community credit needs on an ongoing basis through outreach efforts and methods to incorporate those findings into the development of products and services the institution decides to offer to meet identified credit needs. The CRA plan should include marketing and advertising programs for lending products and services that inform and stimulate awareness throughout all segments of the community. The duty to coordinate and monitor the CRA process should be assigned to a senior officer or committee charged with the responsibility to report periodically to the institution's board of directors about CRA efforts, performance, and areas for improvement, where appropriate. An employee training program should be established which addresses policies and procedures of the institution designed to comply with antidiscrimination laws and regulations and help meet community credit needs.

The federal financial regulatory agencies also expect financial institutions to maintain reasonable documentation of the activities conducted to implement the institution's CRA policies, procedures and programs. Finally, the regulators believe it would be especially useful for a financial institution to expand its CRA statement to include a description of the activities the institution has undertaken to meet its responsibilities under CRA. This expansion would enhance the prospects for an informed dialogue about CRA-related issues between the institution and members of the public.

Written Evaluations

The following CRA rating profiles have been developed to assist the regulatory agencies in providing meaningful written evaluations on an institution's CRA performance. By providing a thorough description of what is required for each rating category and assessment factor, the rationale for an institution's ultimate CRA rating may be more readily understood.

CRA Rating Profiles

Outstanding Record of Meeting Community Credit Needs

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The institution's delineated community meets the purpose of the CRA and does not exclude low- and moderate-income neighborhoods. CRA is an integral component of the institution's planning process and is explicitly

reflected in its formal policies, procedures, and training programs. Documentation of CRA-related activities is comprehensive and readily available. The institution employs affirmative outreach efforts to determine community credit needs and addresses them through innovative product development. The board of directors and senior management are highly involved in planning for, implementing, and monitoring their CRA-related performance. The institution is highly involved with a broad spectrum of community organizations and the public sector. The institution aggressively markets special credit services and has, as a result, extended loans which significantly benefit the community. Internal monitoring procedures assure and demonstrate appropriate volume and distribution of credit extensions, applications, and denials to all segments of its delineated community. The institution is in compliance with antidiscrimination laws and regulations, including fair lending and fair housing laws. The institution has played a leadership role in promoting economic revitalization and growth and/or has engaged in other activities to help meet community credit needs. Such institutions have demonstrated the ability to monitor and assess their own performances, and they present no supervisory concern in CRA matters.

Satisfactory Record of Meeting Community Credit Needs

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The institution's delineated community reasonably meets the purpose of the CRA and does not exclude low- and moderate-income neighborhoods. CRA is considered, but is not an integral component of the institution's planning process. However, CRA objectives have been integrated into the institution's policies, procedures and programs. Employee training for CRA is adequate, but may need to be expanded. Documentation and monitoring of the institution's CRA-related activities is adequate. The institution determines its community credit needs and normally addresses them through appropriate loan product development. The board of directors and senior management have occasional involvement in the institution's CRA planning, implementation and monitoring process. The institution has a satisfactory level of involvement with most community organizations and the public sector. The institution has marketed credit services which address identified community credit needs and has extended loans which benefit its delineated community. Records reflect a reasonable geographic distribution of credit extensions, applications, and denials to all segments of its delineated community. The institution has played a supportive role in promoting and participating in economic revitalization and growth and/or has demonstrated a willingness to explore other activities which help to meet community credit needs. The institution is in compliance

with the substantive provisions of antidiscrimination laws and regulations, including fair lending and fair housing laws. Such institutions do not present a serious supervisory concern in CRA matters. They may, however, benefit from additional encouragement to ascertain and help meet community credit needs, initiate community contacts, or pursue special programs on an ongoing and more aggressive basis.

Needs to Improve Record of Meeting Community Credit Needs

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate income neighborhoods, in a manner consistent with its resources and capabilities. The institution's delineated community is unreasonable and may exclude some low- and moderate-income neighborhoods. The institution's program for meeting responsibilities under CRA is inadequate; specific, identifiable weaknesses are apparent. The institution does not have a comprehensive CRA training program. The institution does not adequately document or monitor its CRA-related activities. The institution engages in limited affirmative outreach to the community, passively determines credit needs and addresses them primarily with existing standard loan products. The board of directors and senior management are rarely involved in the institution's CRA planning, implementation and monitoring process, if such process exists. The institution has limited, if any, involvement with local community organizations and the public sector. The institution has limited marketing of credit services responsive to community credit needs, and advertisements are not generally reflective of identified community credit needs. The types of credit offered may not accurately reflect the list of available credits in the institution's CRA statement. The geographic distribution of credit extensions, applications, and denials demonstrates a disproportionate lending pattern, adversely impacting low- and moderate-income neighborhoods. The institution has played only a limited role in developing projects to foster economic revitalization and growth, but management may express a willingness to consider participation in other activities which help meet community credit needs if they are presented to the institution. The institution is not in compliance with the substantive provision of antidiscrimination laws and regulations, including fair lending and fair housing laws. Such institutions are of supervisory concern in CRA matters and require strong encouragement to improve the level of performance.

Substantial Noncompliance in Meeting Community Credit Needs

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The institution's delineated community is unreasonable and excludes

low- and moderate-income neighborhoods. CRA responsibilities are rarely considered within the institution's planning process or its policies, procedures, or training programs. The institution does not have a viable program for meeting responsibilities under CRA. The institution does not actively monitor its CRA activities. Little or no documentation exists that demonstrates an adequate level of performance. The institution is not generally aware of existing credit needs and may not have appropriate loan products to address them. The board of directors and senior management are not involved in the institution's CRA planning, implementation and monitoring process. The institution has no meaningful interaction with community organizations and the public sector. The institution does not advertise credit services based upon identified community needs. Some types of credit extended may not be reflected in the list of available credits in the institution's CRA statement. Restrictive credit policies contribute to unjustified disparate lending patterns, adversely impacting low- and moderate-income neighborhoods. The institution has not actively promoted community economic revitalization or growth, and has shown very limited interest in pursuing other activities to address community credit needs. The institution is in substantial noncompliance with antidiscrimination laws and regulations, including fair lending and fair housing laws. Such institutions are of significant supervisory concern in CRA matters and require the strongest supervisory encouragement to be responsive to community credit needs.

Performance Categories Summary

To evaluate an institution's CRA performance, the twelve assessment factors and criteria are grouped into the following performance categories:

- I. Ascertainment of Community Credit Needs
- II. Marketing and Types of Credit Extended
- III. Geographic Distribution and Record of Opening and Closing Offices
- IV. Discrimination and Other Illegal Credit Practices
- V. Community Development

Performance Categories

Below are *guidelines* for determining the level of a financial institution's performance under each assessment factor as prescribed in the implementing regulations (designated below by the letters (A) through (L)). The various performance categories are generally descriptive, and *all* attributes do not apply to every institution.

I. Ascertainment of Community Credit Needs

The institution is evaluated in this category on activities undertaken to delineate its community and its employment of effective techniques for gathering information to identify community credit needs. Examiners evaluate the effectiveness of an institution's review and development of products and services related to identified community credit needs. This category includes an evaluation of the reasonableness of the institution's community delineation and its

CRA Statement. The evaluation process includes the following assessment factors:

(A) Activities conducted by the institution to ascertain the credit needs of its community, including the extent of efforts to communicate with members of its community regarding the credit services it is prepared to offer to the community.

(C) The extent of participation by the institution's board of directors in formulating policies and reviewing the institution's performance with respect to the purposes and intent of the Community Reinvestment Act.

Outstanding

Delineated Community

The institution's delineated community meets the purpose of the CRA and does not exclude low- and moderate-income neighborhoods.

Assessment Factor A

The institution has an outstanding record of determining the credit needs of its community, including low- and moderate-income neighborhoods. This may take the form of:

- Ongoing, meaningful contacts with a full range of individuals and groups representing civic, religious, neighborhood, minority, small business, and commercial and residential real estate development;
- Ongoing contact with officials from city, county and state governments and active participation in public programs; and,
- Established, productive relationships with financial intermediaries resulting in public/private partnership activities.

The institution regularly collects and analyzes local demographic data in relation to its lending activities.

The board of directors and senior management maintain a proactive attitude and a high degree of responsiveness in addressing community credit needs through product development, including loans for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Senior management performs systematic and regular reviews of lending services.

The institution offers products well-suited to identified needs, which may include government-insured and publicly-sponsored programs.

The board of directors and senior management demonstrate willingness to explore and offer conventional products with special features to make credit more widely available, within the bounds of safe and sound lending practices.

Assessment Factor C

CRA is a demonstrated and important component of the board of director's planning process.

A formal, written CRA program exists with goals, objectives and methodology for self-assessment.

The board of directors and senior management:

- Are an integral part of the CRA process and activities.
- Exercise active policy oversight and conduct regular reviews of CRA activities and performance.

- Are personally involved in activities designed to develop, improve and enhance the local community.

- Consistently support prudent but innovative underwriting criteria that help address community credit needs and that may not fall within the criteria of the institution's more conventional loan products.

- Provide active support to the CRA training of personnel.

- Have expanded their CRA Statement describing the institution's CRA policies and programs, discussing the results of their self-assessment, and summarizing documentation of the institution's performance.

- Effectively ensure that CRA technical regulatory requirements are consistently met.

Satisfactory

Delineated Community

The institution's delineated community reasonably meets the purpose of the CRA and does not exclude low- and moderate-income neighborhoods.

Assessment Factor A

The institution has a satisfactory record of determining credit needs of its community, including low- and moderate-income neighborhoods. This may take the form of:

- Occasional contacts with a large range of individuals and groups representing civic, religious, neighborhood, minority, small business and commercial and residential real estate development;
- Occasional contact with officials from city, county and state governments and some participation in public programs; and,
- Established contact with financial intermediaries that may be used for public/private partnership opportunities.

The institution periodically reviews published, local demographic data in relation to its lending activities.

The board of directors and senior management satisfactorily respond to local input regarding community credit needs through product development, including loans for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Senior management performs informal reviews of lending services.

The institution offers products reasonably suited to identified needs, which may include government-insured and publicly-sponsored programs.

The institution offers a variety of conventional products, and may explore and offer conventional products with special features to make credit more widely available, within the bounds of safe and sound lending practices.

Assessment Factor C

CRA is considered in the board of director's planning process.

The institution's CRA program, including goals, objectives and methodology for self-assessment, is articulated and generally understood by all levels of the institution, but may be informal.

The board of directors and senior management:

- Are generally involved in the CRA process and activities.
- Exercise policy oversight and conduct occasional reviews of CRA activities and performance.
- Have some involvement in activities designed to develop, improve and enhance the local community.
- Consider prudent but innovative underwriting criteria that help address community credit needs and that may not fall within the criteria of the institution's more conventional loan products.
- Provide adequate support to the CRA training of personnel.
- Have expanded their CRA statement to describe the institution's CRA policies, programs and results; however, the material in the expanded Statement might not be fully descriptive.
- Generally ensure that CRA technical regulatory requirements are consistently met.

Needs to Improve

Delineated Community

The institution's delineated community is unreasonable and may exclude some low- and moderate-income neighborhoods.

The institution's guidelines for defining its community need some revision.

Assessment Factor A

The institution needs to improve its contacts within the community to determine the credit needs of its community, including low- and moderate-income neighborhoods. This is represented by:

- Limited contact with individuals and groups representing civic, religious, neighborhood, minority, small business and commercial and residential real estate development;
- Limited contact with officials from city, county and state governments and marginal effort to participate in public programs; and,
- A lack of productive contact with financial intermediaries that may be used for public/private partnership opportunities.

The institution occasionally considers or analyzes published demographic data in relation to its lending activities.

The board of directors and senior management show limited response to outside input regarding community credit needs through product development, including loans for residential mortgages, housing rehabilitation, home improvement, small business and small farms.

Senior management infrequently reviews its CFR-related activities or its lending services in response to changing credit needs.

Credit products may not be structured or sufficiently varied to address the identified credit needs of certain segments of the community, especially in low- and moderate-income neighborhoods.

The institution is not a significant participant in government-insured and/or publicly-sponsored programs.

Limited efforts have been made to offer a variety of conventional products or explore special features to make sound credit more widely available.

Assessment Factor C

CRA is sometimes considered in the board of director's planning process.

The institution's CRA program is inadequate and may lack goals, objectives and methodology for self-assessment.

The board of directors and senior management:

- Have limited involvement in the CRA process and activities.
- May exercise policy oversight and may conduct infrequent reviews of CRA activities and performance.
- Have limited involvement in activities designed to develop, improve and enhance the local community.
- May be reluctant to consider prudent but innovative underwriting criteria that help address community credit needs and that may not fall within the criteria of the institution's more conventional loan products.
- Provide only limited support to the CRA training of personnel.
- Have not expanded their CRA statement to address its program and the results achieved.
- May be lax in ensuring that CRA technical regulatory requirements are met.

Substantial Noncompliance

Delineated Community

The institution's delineated community is unreasonable and excludes low- and moderate-income neighborhoods.

The institution's guidelines for defining its community require substantial revision.

Assessment Factor A

The institution does not conduct, or has little involvement in, activities that determine credit needs of its community, including low- and moderate-income neighborhoods. This is represented by few, if any, contacts with:

- Representatives of civic, religious, neighborhood, minority, small business and commercial and residential real estate development;
- Officials from city, county and state governments and no effort to participate in public programs; and,
- Financial intermediaries that may be used for public/private partnership opportunities.

The institution is unaware of, or ignores, the existence of demographic data and does not use it to analyze its lending activities.

The board of directors and senior management rarely (or, do not) respond to community credit needs through product development, including loans for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Lending services are rarely (or, are not) reviewed to respond response to changing credit needs.

Customer input and/or information on credit needs is rarely (or, is not) taken into account in product development, especially from customers in low- and moderate-income areas.

There is nominal or no participation in government-insured and/or publicly-sponsored programs.

There is little or no effort made to offer a variety of conventional products or explore special features to make sound credit more widely available.

Assessment Factor C

CRA is rarely (or, is not) considered in the board of director's planning process.

The institution does not have an articulated and implemented program for dealing with its responsibilities under CRA.

The board of directors and senior management:

- Have little, if any, involvement in the CRA process and activities.
- Exercise little, if any, policy oversight with respect to CRA and rarely (or, do not) conduct reviews of CRA activities and performance.
- Have few, if any, involvement in activities designed to develop, improve and enhance the local community.
- Are reluctant to consider prudent but innovative underwriting criteria that help address community credit needs and that may not all within the criteria of the institution's more conventional loan products.
- Provide little, if any, support to CRA training of personnel.
- Have not expanded, and will not consider expansion of, their CRA statement.
- Rarely (or, do not) ensure that CRA technical regulatory requirements are met.

II. Marketing and Types of Credit Extended

The institution is evaluated in this category on its marketing efforts to promote the types of credit it is prepared to offer to its community, product implementation, and overall delivery of credit services relative to the institution's CRA statement. Emphasis is placed on special credit related programs. The evaluation process will consider the following assessment factors:

(B) The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services it offers.

(I) The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business and small farm loans within its community; the purchase of such loans originated in its community; or other indirect activities aimed at helping meet local community housing, small business and small farming needs.

(J) The institution's participation in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses or small farms.

Outstanding

Assessment Factor B

The institution has implemented sound marketing and advertising programs that are approved, reviewed and monitored by senior management and the board of directors. The programs inform all segments of the community of general financial products and services offered, including those that have been developed to address identified community credit needs.

Marketing strategies ensure that products and services are responsive to identified community needs. Advertisements are designed to stimulate awareness of credit services throughout the entire community, including low- and moderate-income neighborhoods. This includes use of special

media aimed at particular segments of the community.

Complete, readily available marketing and advertising records are maintained and internally reviewed for compliance with applicable laws and regulations.

Personnel routinely provide assistance to individuals and groups in understanding and applying for credit.

Assessment Factor I

The institution affirmatively addresses all of the identified community credit needs through the origination and purchase of loans, including those for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Lending levels reflect exceptional responsiveness to the most pressing community credit needs. A substantial majority of loans are within the delineated community. Loan volume, in relation to the institution's resources and the community's credit needs, exceeds normal expectations.

The CRA Statement correctly lists all of the credit products available throughout the institution's community.

Assessment Factor J

When an identified community credit need exists, the institution takes a leadership role in meeting that need and affirmatively participates in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses and small farms.

Satisfactory

Assessment Factor B

The institution has implemented adequate marketing and advertising programs that function outside the formal oversight of senior management and the board of directors. The programs are designed to inform all segments of the community of general financial products and services offered and any products that may have been developed to address identified community credit needs.

Although advertisements, including those for credit products, are carried in widely circulated local media, additional advertising in media directed toward low- and moderate-income neighborhoods may be needed in order for the advertising program to be effective throughout the community.

The institution maintains adequate records of its advertising, and these are occasionally reviewed for effectiveness in all segments of the community. The institution may not have established policies and procedures to review proposed marketing campaigns for compliance with applicable laws and regulations. Personnel occasionally provide assistance to individuals and groups in understanding and applying for credit.

Assessment Factor I

The institution addresses the majority of identified community credit needs through the origination and purchase of loans, including those for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Lending levels reflect a general responsiveness to the most pressing

community credit needs. A significant volume of loans are within the delineated community. Loan volume is adequate in relation to the institution's resources and the community's credit needs.

The CRA Statement correctly lists the majority of the credit products available throughout the institution's community.

Assessment Factor J

When an identified community credit need exists, the institution generally takes some steps to help meet that need and frequently participates in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses and small farms.

Needs to Improve

Assessment Factor B

The institution's marketing and advertising programs have limited oversight by senior management and the board of directors, and may require revision or expansion to inform all segments of the community of general financial products and services offered.

Marketing strategies are primarily designed to promote an image of the institution as a provider of general financial products and services or of only deposit services.

Although advertisements are carried in primary local media, the institution does not advertise in media specifically directed to low- and moderate-income neighborhoods.

The institution maintains limited documentation of advertising, and it is infrequently reviewed for compliance with applicable laws and regulations. Marketing campaigns are infrequently reviewed for their effectiveness in informing all segments of the community.

Personnel make limited effort to assist individuals and groups in understanding and applying for credit.

Assessment Factor I

The institution is marginally involved in addressing identified community credit needs through origination and purchase of loans, including those for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Lending levels reflect marginal responsiveness to the most pressing community credit needs. A significant volume of loans may be outside the delineated community, and/or loan volume may be low in relation to the institution's resources and the community's credit needs.

The CRA Statement may not accurately list certain credit products available and/or may list some credit products which are not available.

Assessment Factor J

When an identified community credit need exists, the institution sometimes becomes involved in helping to meet that need and infrequently participates in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses and small farms.

Substantial Noncompliance

Assessment Factor B

The institution's marketing and advertising programs are inadequate as they do not

address credit products directed to all segments of the community, including low- and moderate-income neighborhoods, or the institution does not have such programs.

The institution does not maintain sufficient documentation of advertising, and it is rarely (or, is not) reviewed for compliance with applicable laws and regulations.

There is little, if any, effort to assist individuals and groups in understanding and applying for credit.

Assessment Factor I

The institution is minimally involved in addressing identified community credit needs through origination and purchase of loans, including those for residential mortgages, housing rehabilitation, home improvement, small businesses and small farms.

Lending levels reflect little, if any, responsiveness to the most pressing community credit needs. A substantial majority of loans are outside the delineated community, and/or loan volume is excessively low in relation to the institution's resources and the community's credit needs.

The CRA Statement is materially inaccurate with respect to the types of credit the institution is willing to make available throughout its community.

Assessment Factor J

When an identified community credit need exists, the institution rarely (or, does not) become involved in helping to meet that need or in participating in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses and small farms.

III. Geographic Distribution and Record of Opening and Closing Offices

The geographic distribution of the institution's loans and the effects of opening or closing any offices are considered in this category. The evaluation process under this category will consider the following assessment factors:

(E) The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

(G) The institution's record of opening and closing offices and providing services at offices.

Outstanding

Assessment Factor E

The institution has a documented analysis demonstrating that the geographic distribution of its credit extensions, applications, and denials reflect equal access to, and penetration of, all segments of its delineated community, including low- and moderate-income neighborhoods.

The institution has formulated procedures to identify the geographic distribution of its loan products. This information is documented and used by the board of directors and senior management in the institution's establishment of loan policies, products and services, and marketing plans.

Assessment Factor G

Offices are readily accessible to all segments of the community. Business hours and services are tailored toward the

convenience and needs of the community and are reviewed for their effectiveness on an ongoing basis.

Prior to closing offices, the institution assesses the potential impact on its ability to continue offering an appropriate level of services throughout its community. This assessment includes the institution's taking into consideration information and ideas obtained from consultations with members of the community to minimize the adverse impact of an office closing.

The institution's record of closing offices has not had an adverse impact on its community.

Satisfactory

Assessment Factor E

The institution's analysis of its geographic distribution of credit extensions, applications, and denials demonstrates reasonable access to, and penetration of, all segments of the community, including low- and moderate-income neighborhoods.

The geographic distribution of the institution's loan products may be used by the board of directors and senior management in the establishment of loan policies, products and services, and marketing plans.

Assessment Factor G

Offices are reasonably accessible to all segments of the community.

Periodic review of services and business hours assures accommodation of all segments of the community.

The institution makes an adequate assessment of the potential adverse impact of an office closing on its community. This assessment includes contacts with members of the community for their views on the impact and ways to minimize it.

The institution's record of opening and closing offices has not adversely affected the level of services available in low- and moderate-income neighborhoods.

Needs to Improve

Assessment Factor E

The geographic distribution of the institution's credit extensions, applications, and denials demonstrates a disproportionate pattern with respect to the activity inside its delineated community as compared to the activity outside the delineated community and/or with respect to the distribution of loans, applications and denials within the various segments of its community.

The board of directors and senior management may be unaware of the geographic distribution of their loan products or accord inadequate or no review of lending policies and practices with regard to how they affect lending patterns within the community.

Senior management has not taken adequate corrective action on previously identified unreasonable lending patterns.

Assessment Factor G

Accessibility to the institution's offices is difficult for certain segments of the community.

Business hours may be inconvenient relative to the needs of the community,

particularly low- and moderate-income neighborhoods, and they are infrequently reviewed for effectiveness.

The institution's assessment of the potential adverse impact an office closing will have on its community and of methods needed to minimize that impact is inadequate and needs revision or expansion.

The institution's record of opening and closing offices indicates disparate impact upon certain segments of its community, particularly low- and moderate-income neighborhoods, although the result may be unintentional.

Substantial Noncompliance

Assessment Factor E

The institution does not perform an analysis of its distribution of credit extensions, applications, and denials. The geographic distribution does, in fact, indicate unreasonable lending patterns inside and outside its delineated community, particularly in low- and moderate-income neighborhoods.

The board of directors and senior management disregard the geographic distribution of the institution's loan products and have taken limited or no corrective action on previously identified unreasonable lending patterns.

Loan policies and procedures contain restrictions which have or can be expected to have a significant adverse impact on loan availability in low- and moderate-income neighborhoods.

Assessment Factor G

There is limited accessibility to the institution's offices for certain segments of the community, particularly low- and moderate-income neighborhoods.

Business hours are inconsistent with the needs of the community and they are rarely, if ever, reviewed for effectiveness.

The institution rarely, if ever, makes an assessment of the potential impact of its office opening and closing practices on the community.

The institution's record of opening and closing offices suggests a continuing pattern of disparate impact upon certain segments of its community, particularly low- and moderate-income neighborhoods.

IV. Discrimination and Other Illegal Credit Practices

The institution is evaluated in this category on its compliance with antidiscrimination and other related credit laws, including efforts to avoid doing business in particular areas or illegal prescreening. The evaluation process will consider the following assessment factors:

(D) Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

(F) Evidence of prohibited discriminatory or other illegal credit practices.

Outstanding

Assessment Factor D

The institution affirmatively solicits credit applications from all segments of its community, with a strong focus on low- and moderate-income neighborhoods.

The board of directors and senior management have developed complete written policies, procedures, and training programs to assure the institution does not illegally discourage or prescreen applicants.

The institution regularly assesses the adequacy of implemented, nondiscriminatory policies, procedures and training programs through internal reviews and management reporting mechanisms.

Assessment Factor F

The institution is in compliance with the antidiscrimination laws and regulations, including: the Equal Credit Opportunity Act, the Fair Housing Act, the Home Mortgage Disclosure Act, and any agency regulations pertaining to nondiscriminatory treatment of credit applicants.

Satisfactory

Assessment Factor D

The institution generally solicits credit applications from all segments of its community, including low- and moderate-income neighborhoods.

The board of directors and senior management have developed adequate policies, procedures and training programs supporting nondiscrimination in lending and credit activities. Minor revisions or expansions may be required.

The institution periodically assesses the adequacy of implemented, nondiscriminatory policies, procedures and training programs through internal reviews and management reporting mechanisms.

Assessment Factor F

The institution is in compliance with the substantive provisions of antidiscrimination laws and regulations, including: the Equal Credit Opportunity Act, the Fair Housing Act, the Home Mortgage Disclosure Act, and any agency regulations pertaining to nondiscriminatory treatment of credit applicants.

Any violations disclosed are nonsubstantive in nature, and corrections are made promptly by senior management.

Needs to Improve

Assessment Factor D

Although the institution accepts credit applications from all segments of its community, available data suggests the possibility of isolated, illegal discouraging or prescreening of applicants.

The institution's policies, procedures and training programs are inadequate and require significant revision or expansion to support nondiscrimination in lending and credit activities.

The review and/or reporting mechanisms developed by the board of directors and senior management need improvement to fully assure that the institution does not illegally discourage or prescreen applicants.

Assessment Factor F

The institution is not in compliance with the substantive provisions of antidiscrimination laws and regulations, including: the Equal Credit Opportunity Act, the Fair Housing Act, the Home Mortgage

Disclosure Act, and any agency regulations pertaining to nondiscriminatory treatment of credit applicants.

Substantive violations are noted on an isolated basis. Violations may be repeated from previous examinations.

Substantial Noncompliance

Assessment Factor D

Available data indicates that the institution rarely, if ever, considers credit applications from all segments of its community. The volume of applications from low- and moderate-income neighborhoods is very low or nonexistent.

The institution's policies, procedures and programs are either nonexistent or in need of substantial revision to properly support nondiscrimination in lending and credit activities.

The review and/or reporting mechanisms developed by the board of directors and senior management and designed to assess implemented policies, procedures and training programs to support nondiscrimination in lending and credit activities are inadequate and require substantial revision. Or, the institution has not developed any review or reporting mechanisms to assure that the institution does not illegally discourage or prescreen applicants.

Assessment Factor F

The institution is in substantial noncompliance with antidiscrimination laws and regulations, including: The Equal Credit Opportunity Act, the Fair Housing Act, the Home Mortgage Disclosure Act, and any agency regulations pertaining to nondiscriminatory treatment of credit applicants.

The institution has demonstrated a pattern or practice of prohibited discrimination, or has committed a large number of substantive violations of the antidiscrimination laws and regulations. Violations may be repeated from previous examinations.

V. Community Development

An institution is evaluated in this category on its participation in community development and/or other factors relating to meeting local credit needs. The evaluation process will consider the following assessment factors:

(H) The institution's participation, including investments, in local community development and redevelopment projects or programs.

(K) The institution's ability to meet various community credit needs based upon its financial condition and size, and legal

impediments, local economic conditions and other factors.

(L) Any other factors that reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

Outstanding

Assessment Factor H

The institution has maintained, through ongoing efforts, a high level of participation in development and redevelopment programs within its community, often in a leadership role.

Assessment Factor K

The institution has played a leadership role in developing and/or implementing specific projects promoting economic revitalization and growth, consistent with its size, financial capacity, location, and current local economic conditions. Its participation in these projects may have taken, for example, the form of investment, direct loans or loans through intermediaries, financial services, and technical assistance.

The institution has established good working relationships with government and private sector representatives to identify opportunities for the institution's involvement in addressing community development needs.

Assessment Factor L

The institution has engaged in other meaningful activities, not covered under other performance categories, which contribute to the institution's efforts to help meet community credit needs.

Satisfactory

Assessment Factor H

The institution is generally aware of any community development and redevelopment programs within its community, and periodically participates in such programs.

Assessment Factor K

The institution generally supports the development or implementation of specific projects promoting economic revitalization and growth, consistent with its size, financial capacity, location, and current local conditions. Its participation in these projects may have taken, for example, the form of investment, direct loans or loans through intermediaries, financial services, and technical assistance.

The institution has informed government and private sector representatives of its interest in participating in community development projects, and is already involved in some aspects of planning or implementation.

Assessment Factor L

The institution has demonstrated a willingness to explore other activities contributing to its efforts to help meet community credit needs which are not covered in other performance categories.

Needs to Improve

Assessment Factor H

The institution has limited awareness of any community development and redevelopment programs within its community and rarely seeks them out or participates in them.

Assessment Factor K

The institution has played only a limited role in developing projects to foster economic revitalization and growth, and has taken limited action to learn or support the specific features of existing programs.

The institution has rarely contacted government and private sector representatives to discuss community development needs and opportunities.

Assessment Factor L

The institution expresses a willingness to consider participation in other activities designed to meet community credit needs only when specific proposals or requests are brought to its attention.

Substantial Noncompliance

Assessment Factor H

The institution is unaware of, or not interested in, the existence and nature of community development programs within its community. The institution has made little or no effort to participate in these programs.

Assessment Factor K

The institution has played a very small, if any, role in developing or implementing specific projects promoting economic revitalization and growth.

The institution has made little, if any, effort to contact government or private sector representatives to learn about community development needs or the features of existing programs.

Assessment Factor L

Senior management has shown little, if any, interest in pursuing other activities, not covered under other performance categories, which would enhance the institution's effectiveness in helping address community credit needs.

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