§ 25.23 Investment test.

(a) Scope of test. The investment test evaluates a bank’s record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank’s assessment area(s).

(b) Exclusion. Activities considered under the lending or service tests may not be considered under the investment test.

(c) Affiliate investment. At a bank’s option, the OCC will consider, in its assessment of a bank’s investment performance, a qualified investment made by an affiliate of the bank, if the qualified investment is not claimed by any other institution.

(d) Disposition of branch premises. Donating, selling on favorable terms, or making available on a rent-free basis a branch of the bank that is located in a predominantly minority neighborhood to a minority depository institution or women’s depository institution (as these terms are defined in 12 U.S.C. 2907(b)) will be considered as a qualified investment.

(e) Performance criteria. The OCC evaluates the investment performance of a bank pursuant to the following criteria:

(1) The dollar amount of qualified investments;

(2) The innovativeness or complexity of qualified investments;

(3) The responsiveness of qualified investments to credit and community development needs; and

(4) The degree to which the qualified investments are not routinely provided by private investors.

(f) Investment performance rating. The OCC rates a bank’s investment performance as provided in appendix A of this part.

§ 25.24 Service test.

(a) Scope of test. The service test evaluates a bank’s record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of a bank’s...