Comptroller of the Currency, Treasury

§ 7.1000 National bank powers

Subpart A—Bank powers

§ 7.1000 National bank ownership of property.

(a) Investment in real estate necessary for the transaction of business—(1) General. Under 12 U.S.C. 29(First), a national bank may invest in real estate that is necessary for the transaction of its business.

(2) Type of real estate. For purposes of 12 U.S.C. 29(First), this real estate includes:

(i) Premises that are owned and occupied (or to be occupied, if under construction) by the bank, its branches, or its consolidated subsidiaries;

(ii) Real estate acquired and intended, in good faith, for use in future expansion;

(iii) Parking facilities that are used by customers or employees of the bank, its branches, and its consolidated subsidiaries;

(iv) Residential property for the use of bank officers or employees who are:

(A) Located in remote areas where suitable housing at a reasonable price is not readily available; or

(B) Temporarily assigned to a foreign country, including foreign nationals temporarily assigned to the United States; and

(v) Property for the use of bank officers, employees, or customers, or for the temporary lodging of such persons in areas where suitable commercial lodging is not readily available, provided that the purchase and operation of the property qualifies as a deductible business expense for Federal tax purposes.

(3) Permissible means of holding. A national bank may acquire and hold real estate under this paragraph (a) by any reasonable and prudent means, including ownership in fee, a leasehold estate, or in an interest in a cooperative. The bank may hold this real estate directly or through one or more subsidiaries. The bank may organize a bank premises subsidiary as a corporation, partnership, or similar entity (e.g., a limited liability company).

(b) Fixed assets. A national bank may own fixed assets necessary for the transaction of its business, such as fixtures, furniture, and data processing equipment.
§ 7.1001 National bank acting as general insurance agent.

Pursuant to 12 U.S.C. 92, a national bank may act as an agent for any fire, life, or other insurance company in any place the population of which does not exceed 5,000 inhabitants. This provision is applicable to any office of a national bank when the office is located in a community having a population of less than 5,000, even though the principal office of such bank is located in a community whose population exceeds 5,000.

§ 7.1002 National bank acting as finder.

(a) General. It is part of the business of banking under 12 U.S.C. 24(Seventh) for a national bank to act as a finder, bringing together interested parties to a transaction.

(b) Permissible finder activities. A national bank that acts as a finder may identify potential parties, make inquiries as to interest, introduce or arrange contacts or meetings of interested parties, act as an intermediary between interested parties, and otherwise bring parties together for a transaction that the parties themselves negotiate and consummate. The following list provides examples of permissible finder activities. This list is illustrative and not exclusive; the OCC may determine that other activities are permissible pursuant to a national bank’s authority to act as a finder.

1. Communicating information about providers of products and services, and proposed offering prices and terms to potential markets for these products and services;

2. Communicating to the seller an offer to purchase or a request for information, including forwarding completed applications, application fees, and requests for information to third-party providers;

3. Arranging for third-party providers to offer reduced rates to those customers referred by the bank;

4. Providing administrative, clerical, and record keeping functions related to the bank’s finder activity, including retaining copies of documents, scheduling sales calls on behalf of sellers, and conducting market research to identify potential new customers for retailers;

5. Conveying between interested parties expressions of interest, bids, offers, orders, and confirmations relating to a transaction;

6. Conveying other types of information between potential buyers, sellers, and other interested parties; and

7. Establishing rules of general applicability governing the use and operation of the finder service, including rules that: