

thing of value, whether tangible or intangible (including any substitution), upon default in payment of any loan involved or any part thereof or to withhold or to have withheld from the seller a sum of money or anything of value by way of security against default. The recourse liability resulting from a sale with recourse shall be the total book value of any loan sold with recourse less:

(1) The amount of any insurance or guarantee against loss in the event of default provided by a third party,

(2) The amount of any loss to be borne by the purchaser in the event of default, and

(3) The amount of any loss resulting from a recourse obligation entered on the books and records of the savings association.

(b) The term *with recourse* does not include loans or interests therein where the agreement of sale provides for the savings association directly or indirectly:

(1) To hold or retain a subordinate interest in a specified percentage of the loans or interests; or

(2) To guarantee against loss up to a specified percentage of the loans or interests, which specified percentage shall not exceed ten percent of the outstanding balance of the loans or interests at the time of sale: *Provided*, That the savings association designates adequate reserves for the subordinate interest or guarantee.

(c) This definition does not apply for purposes of determining the capital adequacy requirements under 12 CFR part 3.

[76 FR 49043, Aug. 9, 2011, as amended at 79 FR 11313, Feb. 28, 2014; 84 FR 56376, Oct. 22, 2019]

PART 162—ACCOUNTING AND DISCLOSURE STANDARDS

AUTHORITY: 12 U.S.C. 1463, 5412(b)(2)(B).

§ 162.1 Accounting and disclosure standards.

A Federal savings association shall follow U.S. generally accepted accounting principles (GAAP) and the disclosure standards included therein when complying with all applicable regula-

tions, unless otherwise required by statute, regulation, or the OCC.

[82 FR 8110, Jan. 23, 2017]

PART 163—SAVINGS ASSOCIATIONS—OPERATIONS

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Sec.

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163.180 Suspicious Activity Reports and other reports and statements.

163.200 Conflicts of interest.

163.201 Corporate opportunity.

AUTHORITY: 12 U.S.C. 1, 93a, 1462a, 1463, 1464, 1467a, 1817, 1820, 1828, 1831o, 3806, 5101 *et seq.*, 5412(b)(2)(B); 31 U.S.C. 5318; 42 U.S.C. 4106.

SOURCE: 76 FR 49047, Aug. 9, 2011, unless otherwise noted.

Subpart A—Accounts

§ 163.4 [Reserved]

§ 163.5 Securities: Statement of non-insurance.

Every security issued by a Federal savings association must include in its provisions a clear statement that the