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(ii) In connection with certain employment references or termination notices, to the full extent authorized in 31 U.S.C. 5318(g)(2)(B); or

(B) The sharing by a national bank, or any director, officer, employee, or agent of a national bank, of a SAR, or any information that would reveal the existence of a SAR, within the bank's corporate organizational structure for purposes consistent with title II of the Bank Secrecy Act as determined by regulation or in guidance.

(2) *Prohibition on disclosure by the OCC.* The OCC will not, and no officer, employee or agent of the OCC, shall disclose a SAR, or any information that would reveal the existence of a SAR, except as necessary to fulfill official duties consistent with title II of the Bank Secrecy Act. For purposes of this section, official duties shall not include the disclosure of a SAR, or any information that would reveal the existence of a SAR, in response to a request for use in a private legal proceeding or in response to a request for disclosure of non-public OCC information under 12 CFR 4.33.

(1) *Limitation on liability.* A national bank and any director, officer, employee or agent of a national bank that makes a voluntary disclosure of any possible violation of law or regulation to a government agency or makes a disclosure pursuant to this section or any other authority, including a disclosure made jointly with another financial institution, shall be protected from liability to any person for any such disclosure, or for failure to provide notice of such disclosure to any person identified in the disclosure, or both, to the full extent provided by 31 U.S.C. 5318(g)(3).

(m) *Exemptions.* (1) The Office of the Comptroller of the Currency (OCC) may grant a national bank an exemption from the requirements of this section. A national bank requesting an exemption must submit a request in writing to the OCC. In reviewing such requests, the OCC will consider whether the exemption is consistent with the purposes of the Bank Secrecy Act (if applicable) and safe and sound banking, and may consider other appropriate factors. Any exemption will apply only as expressly stated in the exemption.

(A national bank requesting an exemption that also requires relief from the requirements of applicable regulations issued by the Department of the Treasury at 31 CFR chapter X must submit a request in writing to both the OCC and FinCEN for approval.)

(2) The OCC will respond in writing to a national bank that submits a request pursuant to paragraph (m)(1) of this section after considering whether the exemption is consistent with the factors in paragraph (m)(1) of this section. Any exemption granted by the OCC under paragraph (m)(1) of this section will continue for the time specified by the OCC.

(3) The OCC may extend the period of time or may revoke an exemption granted under paragraph (m)(1) of this section. Exemptions or extensions may be revoked in the sole discretion of the OCC. Before revoking an exemption, the OCC will provide written notice to the national bank of the OCC's intention to revoke an exemption. Such notice will include the basis for the revocation and will provide an opportunity for the national bank to submit a response to the OCC. The OCC will consider any response before deciding whether or not to revoke an exemption and provide written notice to the national bank of the OCC's final decision to revoke an exemption.

(4) With respect to requests for exemptions that will also require relief from the requirements of applicable regulations issued by the Department of the Treasury at 31 CFR chapter X, upon receiving approval from both the OCC and FinCEN, the requestor will be relieved of its obligations under this section to the extent stated in such approvals.

[61 FR 4337, Feb. 5, 1996, as amended at 75 FR 75583, Dec. 3, 2010; 87 FR 15332, Mar. 18, 2022]

Subpart C—Procedures for Monitoring Bank Secrecy Act Compliance

§21.21 Procedures for monitoring Bank Secrecy Act (BSA) compliance.

(a) *Purpose.* This subpart is issued to assure that all national banks and savings associations establish and maintain procedures reasonably designed to

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assure and monitor their compliance with the requirements of subchapter II of chapter 53 of title 31, United States Code, and the implementing regulations promulgated thereunder by the Department of the Treasury at 31 CFR Chapter X.

(b) *Definition of savings association.* For purposes of this subpart C, the term *savings association* means a savings association as defined in section 3 of the Federal Deposit Insurance Act (FDI Act), the deposits of which are insured by the Federal Deposit Insurance Corporation. It includes a Federal savings association or Federal savings bank, chartered under section 5 of the FDI Act, or a building and loan, savings and loan, or homestead association, or a cooperative bank (other than a cooperative bank which is a state bank as defined in section 3(a)(2) of the FDI Act) organized and operating according to the laws of the state in which it is chartered or organized, or a corporation (other than a bank as defined in section 3(a)(1) of the FDI Act) that the Board of Directors of the Federal Deposit Insurance Corporation and the Comptroller jointly determine to be operating substantially in the same manner as a savings association.

(c) *Establishment of a BSA compliance program—(1) Program requirement.* Each national bank and each savings association shall develop and provide for the continued administration of a program reasonably designed to assure and monitor compliance with the recordkeeping and reporting requirements set forth in subchapter II of chapter 53 of title 31, United States Code and the implementing regulations issued by the Department of the Treasury at 31 CFR Chapter X. The compliance program must be written, approved by the national bank's or savings association's board of directors, and reflected in the minutes of the national bank or savings association.

(2) *Customer identification program.* Each national bank and each savings association is subject to the requirements of 31 U.S.C. 5318(1) and the implementing regulations jointly promulgated by the OCC and the Department of the Treasury at 31 CFR 1020.220, which require a customer identification program to be implemented as

part of the BSA compliance program required under this section.

(d) *Contents of compliance program.* The compliance program shall, at a minimum:

(1) Provide for a system of internal controls to assure ongoing compliance;

(2) Provide for independent testing for compliance to be conducted by national bank or savings association personnel or by an outside party;

(3) Designate an individual or individuals responsible for coordinating and monitoring day-to-day compliance; and

(4) Provide training for appropriate personnel.

(Approved by the Office of Management and Budget under control number 1557-0180)

[52 FR 2859, Jan. 27, 1987, as amended at 68 FR 25111, May 9, 2003; 76 FR 6687, Feb. 8, 2011; 79 FR 28399, May 16, 2014]

PART 22—LOANS IN AREAS HAVING SPECIAL FLOOD HAZARDS

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APPENDIX A TO PART 22—SAMPLE FORM OF NOTICE OF SPECIAL FLOOD HAZARDS AND AVAILABILITY OF FEDERAL DISASTER RELIEF ASSISTANCE

APPENDIX B TO PART 22—SAMPLE CLAUSE FOR OPTION TO ESCROW FOR OUTSTANDING LOANS

AUTHORITY: 12 U.S.C. 93a, 1462a, 1463, 1464, and 5412(b)(2)(B); 42 U.S.C. 4012a, 4104a, 4104b, 4106, and 4128.

SOURCE: 80 FR 43240, July 21, 2015, unless otherwise noted.

§ 22.1 Purpose and scope.

(a) *Purpose.* The purpose of this part is to implement the requirements of the National Flood Insurance Act of 1968 and the Flood Disaster Protection