

**§ 19.240**

**12 CFR Ch. I (1–1–23 Edition)**

by or service with the bank would materially strengthen the bank’s ability:

(1) To become adequately capitalized, to the extent that the directive was issued as a result of the bank’s capital level or failure to submit or implement a capital restoration plan; and

(2) To correct the unsafe or unsound condition or unsafe or unsound practice, to the extent that the directive was issued as a result of classification of the bank based on supervisory criteria other than capital, pursuant to section 38(g) of the FDI Act.

(f) *Recommendation of presiding officer.* Within 20 calendar days following the date the hearing and the record on the proceeding are closed, the presiding officer(s) shall make a recommendation to the OCC concerning the Respondent’s request for reinstatement with the bank.

(g) *Time for decision.* Not later than 60 calendar days after the date the record is closed or the date of the response in a case where no hearing was requested, the OCC shall grant or deny the request for reinstatement and notify the Respondent of the OCC’s decision. If the OCC denies the request for reinstatement, the OCC shall set forth in the notification the reasons for the OCC’s action.

**Subpart O—Civil Money Penalty Adjustments**

SOURCE: 65 FR 77252, Dec. 11, 2000, unless otherwise noted.

**§ 19.240 Inflation adjustments.**

(a) *Statutory formula to calculate inflation adjustments.* The OCC is required by statute to annually adjust for inflation the maximum amount of each civil money penalty within its jurisdiction to administer. The inflation adjustment is calculated by multiplying the maximum dollar amount of the civil money penalty for the previous calendar year by the cost-of-living inflation adjustment multiplier provided annually by the Office of Management and Budget and rounding the total to the nearest dollar.

(b) *Notice of inflation adjustments.* The OCC will publish notice in the FEDERAL REGISTER of the maximum penalties which may be assessed on an annual

basis on or before January 15 of each calendar year based on the formula in paragraph (a) of this section, for penalties assessed on, or after, the date of publication of the most recent notice related to conduct occurring on, or after, November 2, 2015.

[83 FR 1518, Jan. 12, 2018]

**Subpart P—Removal, Suspension, and Debarment of Accountants From Performing Audit Services**

SOURCE: 68 FR 48265, Aug. 13, 2003, unless otherwise noted.

**§ 19.241 Scope.**

This subpart, which implements section 36(g)(4) of the FDIA (12 U.S.C. 1831m(g)(4)), provides rules and procedures for the removal, suspension, or debarment of independent public accountants and their accounting firms from performing independent audit and attestation services required by section 36 of the FDIA (12 U.S.C. 1831m) for insured national banks, insured Federal savings associations, and insured Federal branches of foreign banks.

[73 FR 22244, Apr. 24, 2008, as amended at 85 FR 42641, July 14, 2020]

**§ 19.242 Definitions.**

As used in this subpart, the following terms have the meaning given below unless the context requires otherwise:

(a) *Accounting firm* means a corporation, proprietorship, partnership, or other business firm providing audit services.

(b) *Audit services* means any service required to be performed by an independent public accountant by section 36 of the FDIA (12 U.S.C. 1831m) and 12 CFR part 363, including attestation services.

(c) *Independent public accountant (accountant)* means any individual who performs or participates in providing audit services.

[68 FR 48265, Aug. 13, 2003, as amended at 85 FR 42641, July 14, 2020]