

- (1) Name and address of the bank;
- (2) Information establishing that the bank is located in an area, the economy of which is dependent on agriculture such as a description of the bank's location, dominant lines of commerce in its service area, and any other information the bank believes will support the contention that the bank is located in an area dependent on agriculture;
- (3) A copy of the bank's most recent Reports of Condition and Income;
- (4) If the Report of Condition fails to show that at least 25 percent of the bank's total loans are qualified agricultural loans, the basis upon which the bank believes that it should be declared eligible to amortize losses;
- (5) A capital plan demonstrating that the bank will achieve an acceptable capital level not later than the end of the bank's amortization period (the plan should provide for a realistic improvement in the bank's capital, over the course of the bank's amortization period, from earnings retention, capital injections, or other sources and include specific information regarding dividend levels, compensation to directors, executive officers and individuals who have a controlling interest, and payments for services or products furnished by affiliated companies or companies which are related interests of insiders);
- (6) A list of the loans and agriculturally related other property upon which the bank proposes to defer loss including, for each such loan or property, the following information:
- (i) The name of the borrower, the amount of the loan that resulted in the loss, and the amount of the loss;
- (ii) The date on which the loss was declared;
- (iii) The basis upon which the loss resulted from a qualified agricultural loan;
- (7) A certification by the bank's chief executive officer that there is no evidence that the losses resulted from fraud or criminal abuse by the bank, its officers, directors, or principal shareholders;
- (8) A copy of a resolution by the bank's Board of Directors authorizing submission of the proposal; and

- (9) Such other information as the Accepting Official may require.

(Approved by the Office of Management and Budget under control number 3064-0091)

[52 FR 41968, Nov. 2, 1987; 52 FR 43190, Nov. 10, 1987, as amended at 53 FR 22134, June 14, 1988; 60 FR 31384, June 15, 1995]

§ 324.8 Revocation of eligibility.

If the bank fails to continue to meet eligibility requirements or to comply with the capital plan or any condition of an acceptance, the Accepting Official may notify the bank of the intent to revoke authorization for deferral of losses. The bank will have 60 days from receipt of the notice in which it may submit written objections and reasons why authorization should continue. If no written objections are received within 60 days, the revocation shall be final. If the bank submits objections, they will be considered and a final decision, or a request for additional information, shall be made within the next 30 days.

§ 324.9 Other administrative actions.

Acceptance of a bank for loss amortization does not foreclose any administrative action against the bank that the Corporation may deem appropriate.

PART 325—CAPITAL MAINTENANCE

Subpart A—Minimum Capital Requirements

- Sec.
- 325.1 Scope.
- 325.2 Definitions.
- 325.3 Minimum leverage capital requirement.
- 325.4 Inadequate capital as an unsafe or unsound practice or condition.
- 325.5 Miscellaneous.
- 325.6 Issuance of directives.

Subpart B—Prompt Corrective Action

- 325.101 Authority, purpose, scope, other supervisory authority, and disclosure of capital categories.
- 325.102 Notice of capital category.
- 325.103 Capital measures and capital category definitions.
- 325.104 Capital restoration plans.
- 325.105 Mandatory and discretionary supervisory actions under section 38.

APPENDIX A TO PART 325—STATEMENT OF POLICY ON RISK-BASED CAPITAL