

September 10, 2007

**FDIC**

Robert E. Feldman  
Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW  
Washington DC 20429

E-Mail: [Comments@FDIC.gov](mailto:Comments@FDIC.gov)

RE: RIN 3064-AC97  
Community Reinvestment Act; Interagency Questions and Answers Regarding  
Community Reinvestment

Dear Mr. Feldman:

**California Bank & Trust** (The Bank) is located in California with 91 branch offices and over \$10 Billion in assets. We are a full service commercial bank with a primary focus on commercial, commercial real estate and construction lending. Our parent company is Zions Bancorporation, a \$48 billion-dollar bank holding company, headquartered in Salt Lake City, Utah.

The Bank would like to take this opportunity to provide comment on the Notice of Proposed Rulemaking that would revise the Interagency Questions and Answers regarding Community Reinvestment.

We would like to first commend the agencies for combining the previous Questions and Answers and creating a new format that conforms to the regulatory provision. This step should save time in locating the appropriate category within the Questions and Answers.

We would like to provide comments regarding I and III of the proposed new Questions and Answers and we support II, IV, V, VI, VII, VIII, and IX as proposed. We also support all of the amended Questions and Answers as proposed. Our specific comments by number reference are as follows:

## **Proposed Questions & Answers**

### **I. Investments in Minority- or-Women-Owned Financial Institutions and Low Income Credit Unions**

This proposed Question and Answer goes directly against the intent of the CRA regulation. This suggested activity would allow a financial institution to take deposits from one region while investing those deposits in another region that is not located in, or benefiting the assessment area of the institution. It is not consistent with the directives given on other types of investments, such as affordable housing. Affordable housing projects outside a bank's assessment area would only receive consideration after the examiner has determined that the bank had met the needs of its assessment area. The need is just as great.

### **III. Examples of "Other Loan Data"**

We recommend that this Question and Answer be expanded to require that if other loan data is included, the financial institution has a responsibility to 1) ensure that the data is accurate; and 2) if one type of product is offered for consideration, that all loans for that product must be included, and not just those within the assessment area.

Thank you for providing us with the opportunity to submit our comments. If you have any questions, please contact me at **(INSERT YOUR TELEPHONE NUMBER)**.

Sincerely,

Lynda Buckner  
Vice President  
Community Development Department