



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## TEXAS BANK RECEIVES FDIC'S FIRST APPROVAL OF A CRA STRATEGIC PLAN

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation announced today its first approval under new rules that give institutions the option to be evaluated for compliance with the Community Reinvestment Act (CRA) using a self-designed "strategic plan."

Under the revised CRA rules, institutions can choose to be evaluated for CRA performance under set criteria from the regulatory agencies or they can develop their own strategic plan with community input and the approval of their primary federal regulator. An institution using the strategic plan option has the opportunity to tailor its CRA objectives to the needs of its community and to its own capacities, business strategies and expertise.

In this case, the FDIC approved the strategic plan submitted by the \$149-million asset Swiss Avenue State Bank of Dallas, Texas. The bank proposed to focus its CRA efforts on small business lending which, according to the bank's management, is the institution's area of expertise. The bank's plan also includes measurable goals for residential and consumer lending, investments and services.

Carmen J. Sullivan, Director of the FDIC's Division of Compliance and Consumer Affairs, said: "We found Swiss Avenue State Bank's CRA plan a reasonable approach for meeting both its business needs and the credit needs of its community. However, it is a plan specific for this bank. Any other bank considering the strategic plan option must look at its own circumstances and how it can best help meet the credit needs of its own community."



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-98-96

This approval also is the first given by a regulatory agency for a CRA strategic plan submitted by a relatively small institution. On December 19, 1996, in the only other approval of a strategic plan to date, the Federal Reserve Bank of Chicago approved a strategic plan for The Northern Trust Company, Chicago, Illinois, which has approximately \$18 billion in assets.

The FDIC now has pending 10 proposed strategic plans from other institutions.

Swiss Avenue State Bank's strategic plan and the FDIC's December 23rd approval letter are available upon request from the FDIC's Public Information Center at 801 17th Street, NW, Room 100, Washington, DC 20434, or by calling 800-276-6003 or (703) 562-2200.

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