

RESCINDED



Office of the
Comptroller of the Currency
U.S. Department of the Treasury

OCC BULLETIN 2013-40

Subject: Deposit Advance Products
Date: December 26, 2013

**To: Chief Executive Officers of All National
Banks and Federal Savings Associations,
Federal Branches and Agencies, Department and
Division Heads, All Examining Personnel, and
Other Interested Parties**

Replaced. Refer to NR 2017-118.

Description: Final Supervisory Guidance

Summary

The Office of the Comptroller of the Currency (OCC) on November 26, 2013, issued in the *Federal Register* final "Guidance on Supervisory Concerns and Expectations Regarding Deposit Advance Products" (guidance). This guidance addresses safe and sound banking practices and consumer protection in connection with deposit advance products (DAP).

Highlights

The guidance

- outlines appropriate underwriting policies and practices, including establishing customers' eligibility and assessing their ability to repay while allowing borrowers to continue to meet typical recurring and other necessary expenses.
- requires banks to monitor DAP portfolios in accordance with established credit risk standards such as capital adequacy, reliance on fee income, adequacy of the allowance for loan and lease losses, etc.
- implements a "cooling off" period of at least one monthly statement cycle after repayment.
- states that the OCC will take appropriate supervisory action to address unsafe and unsound banking practices and any violation of consumer protection statutes.

Note for Community Banks

This final supervisory guidance is applicable to all OCC-supervised institutions.

Further Information

Please direct questions regarding the guidance to Robert Piepergerdes, Director for Retail Credit Risk, at (202) 649-6220; Kimberly Hebb, Director for Compliance Policy, at (202) 649-5470; or Kenneth Lennon, Assistant Director for Community and Consumer Law, at (202) 649-6350 or (202) 649-6770.

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Related Link

- [Guidance on Supervisory Concerns and Expectations Regarding Deposit Advance Products \(PDF\)](#)