



---

Comptroller of the Currency  
Administrator of National Banks

**Limited Purpose**

---

## **PUBLIC DISCLOSURE**

March 8, 1999

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Comerica Bank, N.A.**  
Charter Number 18021  
3450 West Central Avenue, Suite 230  
Toledo, Ohio 43606

Comptroller of the Currency  
Central District Office  
One Financial Place, Suite 2700  
440 South LaSalle Street  
Chicago, Illinois 60605

**NOTE:** This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or, opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

## Table of Contents

General Information . . . . .	1
Institution Rating . . . . .	1
Description of Institution . . . . .	2
Description of Assessment Area . . . . .	2
Conclusions with Respect to Performance. . . . .	5
Fair Lending Review . . . . .	11
Appendix	
Scope of Evaluation . . . . .	12

### **Definitions and Common Abbreviations**

The following terms and abbreviations are used throughout this performance evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate** - Any company that controls, is controlled by, or is under common control by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Census Tract** - A small, locally defined statistical area within a metropolitan statistical area. Census tracts have defined boundaries, and are determined by the United States Census Bureau in an attempt to group homogenous populations.

**Community Development (CD)** - Affordable housing for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs,

or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies.

**Community Development Test (CDT)** - The criteria used to assess Community Reinvestment Act performance of wholesale and limited purpose banks. The CDT assesses the bank's record of helping to meet the credit needs of its assessment area through community development lending, qualified investments, or community development services.

**Community Reinvestment Act (CRA)** - The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Limited Purpose Bank** - A bank that offers only a narrow product line (such as credit cards or automobile loans) to a regional or broader market, and for which a designation by the OCC as a limited purpose bank is in effect.

**Median Family Income (MFI)** - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Low-Income** - Income levels that are less than 50 percent of the MFI.

**Moderate-Income** - Income levels that are at least 50 percent and less than 80 percent of the MFI.

**Middle-Income** - Income levels that are at least 80 percent and less than 120 percent of the MFI.

**Upper-Income** - Income levels that are 120 percent or more of the MFI.

**Metropolitan Statistical Area (MSA)** - Area defined by the Director of the United States Office of Management and Budget. The MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Net Operating Income** - As defined by the Consolidated Report of Condition and Income, income before adjusting for extraordinary items.

**Tier One Capital** - The total of: common shareholders' equity; perpetual preferred shareholders' equity with non-cumulative dividends; retained earnings; and minority interests in the equity accounts of consolidated subsidiaries.

## **GENERAL INFORMATION**

The CRA requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of Comerica Bank, N.A., prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency, as of March 8, 1999. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

**Institution's CRA Rating:** This institution is rated "**Outstanding record of meeting community credit needs.**"

**Summary of Performance:** Key factors in reaching our conclusions regarding Comerica Bank, N.A.'s CRA performance are:

- ! Comerica Bank, N.A., has high levels of qualified investments, community development loans, and community development service activities. This is especially true in relation to the bank's size, capacity, expertise, and presence in the assessment area.
- ! Qualified investments, community development loans, and community development service activities demonstrate excellent responsiveness to the needs of the community. All activities have benefited the bank's assessment area or a broader statewide area that includes the bank's assessment area.
- ! Qualified investments, community development loans, and community development service activities have occasionally been innovative and complex in nature.

## **Description of Institution**

Comerica Bank, N.A. (CBNA), with assets totaling \$29 million, is a limited-service non-deposit taking bank. The bank was established in 1983 with a charter entitling it to provide full banking services. However, management's business strategy limits CBNA's activities to offering open-end financing. In this capacity, the bank underwrites and services credit card and consumer revolving lines of credit. Comerica Bank, N.A., has approximately 50 employees who currently service 514,000 accounts and, in 1998, processed approximately 57,000 credit applications. Approved credit card applications are participated out to affiliate banks. Comerica Bank, N.A., services its own \$22 million open-end loan portfolio as well as credit card portfolios totaling \$528 million booked at other affiliates.

Because of its narrow product line, CBNA applied for a limited purpose designation as permitted under the CRA. On October 21, 1996, the OCC approved CBNA's application for a limited purpose designation. No legal impediments impact the bank's ability to address community credit needs. At December 31, 1998, the bank had Tier One Capital totaling \$5.3 million. Net operating income was \$4.7 million in 1997 and \$3.3 million in 1998.

Comerica Bank, N.A., is a wholly owned subsidiary of Comerica Incorporated, one of the midwest's largest bank holding companies with \$36 billion in assets. Comerica Incorporated is headquartered in Detroit, Michigan, with subsidiaries in California, Florida, Illinois, Michigan, Ohio, and Texas. According to bank officials and 1998 FDIC deposit information, Comerica Incorporated's banking units do not have any deposit-taking facilities in Ohio. Community Reinvestment Act activities by Comerica Bank (Detroit) and Comerica Securities, Inc. within CBNA's assessment area were done on behalf of CBNA and are included in our evaluation of CBNA's CRA performance.

## **Description of Assessment Area**

Comerica Bank, N.A.'s assessment area is comprised of Lucas County in northwest Ohio, and is within the Toledo Metropolitan Statistical Area (MSA 8400). Boundaries are consistent with CRA assessment area requirements. The low- and moderate-income portions of the assessment area are primarily concentrated in downtown Toledo. Table 1 provides additional demographic information regarding the assessment area.

The assessment area is a mix of urban and suburban neighborhoods. The local population base has been declining. The U.S. Census Bureau estimates the population of Lucas County declined by 2.1 percent between 1990 and 1996. Unemployment levels have been relatively low, but have been slightly higher than the State of Ohio as reflected in Table 1. Prominent industries include automotive, glass production, and medical care. Major employers include DaimlerChrysler AG (Jeep), General Motors Corporation, Owens-Illinois Corporation, Toledo Hospital and the University of Toledo.

<b>Table 1</b> <i>CBNA's Assessment Area Demographic Data</i>							
<b>TOTAL POPULATION</b> (1990 census data)		462,361					
<b>AREA INCOME</b>		\$35,775 \$47,400					
<b>UNEMPLOYMENT RATES</b> (Average of Monthly Seasonally Unadjusted Rates)		1996 Average		1997 Average		1998 Average	
Lucas County		5.0		5.1		5.3	
State of Ohio		4.9		4.6		4.2	
<b>CENSUS TRACT CHARACTERISTICS</b> (Based on 1990 HUD MFI)		Tracts		Owner-Occupied Housing Units		Families	
Low (below 50% of median)		Count	%	Count	%	Count	%
Moderate (50 - 79% of median)		18	14%	5,575	5%	9,207	8%
Middle (80-119% of median)		33	25%	22,214	19%	26,495	22%
Upper (120% of median or above)		54	42%	59,502	52%	57,621	48%
Not Classified (NA)		22	17%	28,086	24%	27,229	22%
Total		3	2%	0	0%	0	0%
		130	100%	115,377	100%	120,552	100%
						15,090	100%

*Sources: U.S. Census data; Dun & Bradstreet, Inc. business data; Unemployment data according to Ohio Bureau of Employment Services.*

The financial market is highly competitive. According to June 30, 1998, FDIC deposit information, Lucas County is served by thirteen financial institutions operating a total of 134 branches in the county with \$5.1 billion in deposits. The primary federally insured financial institutions operating in the area are Capital Bank, N.A.; Charter One Bank, F.S.B.; The Fifth Third Bank of Northwestern Ohio, N.A.; The Huntington National Bank; KeyBank, N.A.; Mid-American Bank & Trust Company; National City Bank; and Standard Federal Bank. These are all full-service financial institutions.

### Assessment Area Needs

Downtown redevelopment is a focus of City of Toledo officials, as described in the Department of Neighborhoods and Department of Development Four-Year Plan (1998-2001). Housing initiatives target the rehabilitation and development of 3,385 housing units during the four year period, including 1,151 units in 1998. A series of downtown redevelopment initiatives are aimed at creating jobs, recruiting new businesses, and establishing a healthy retail base and thriving neighborhood environment.

The Toledo, Ohio, Consolidated Plan for 1995 Executive Summary published by the

U.S. Department of Housing and Urban Development (HUD) dated September 2, 1997, provides, in part, information on identified housing and community development needs and market conditions. Some key information is summarized below:

- The central city section of Toledo is among the most economically devastated in the community. This area has a lower median household income than Toledo as a whole.
- Housing stock is considered old, with more than 40 percent being older than 53 years. Data indicates there are approximately 12,000 substandard housing units. Nearly one in 11 units is vacant or boarded up.
- There exists an alarmingly high need for decent, safe, sanitary, and affordable rental units. Toledo needs at least 14,000 new public housing units or rent subsidies. Some specific needs cited are: The need for additional affordable owner and rental housing; the need to rehabilitate substandard housing units; the need for affordable rental housing for the elderly; and the need to assist low-income households in accessing affordable rental housing.
- Lucas Metropolitan Housing Authority has a waiting list of 4,131 people for subsidized housing. Approximately 37 percent have been on the list longer than two years.
- To successfully implement the plan, there is a need for community based organizations to be expanded and supported by institutions. Elements needed include providing meaningful employment opportunities at the neighborhood level, such as expanding business incubators and micro-enterprise programs, employment, job training, and apprenticeship programs. The need for increased levels of technical assistance to small and expanding neighborhood business was cited. Quality education and training resulting in opportunities for transition to employment was another key element needed. Increases in partnerships between educational systems and the business community are needed. The provision of comprehensive human services also needs to be increased.

Our evaluation took into consideration information derived from members of the community. The OCC held meetings with various members of the community during the past year, including local government housing and economic development officials; neighborhood organizations and community development corporations focusing attention on economic development, housing, and small business initiatives; a housing advocacy group; local chapters of national advocacy groups; and a community development financial institution. During this evaluation, conversations were held with local government officials and a community development organization. Small (and micro) business financing and housing loans were credit needs identified, and contacts also cited the need for more frequent use of flexible lending guidelines by financial institutions in general. Contacts with the community and the review of other information indicated that there have been ample opportunities for financial institutions to provide community development services, make qualified investments, and

extend community development loans. Low-income housing tax credit projects have been available for various investments within the local community and within

the broader statewide area of Ohio. An array of community development corporations (CDCs) and non-profit organizations conduct community development initiatives within Lucas County. Financial institutions have had the opportunity to participate in many of these initiatives, or to provide technical and financial support to these organizations.

## **Conclusions with Respect to Performance**

Comerica Bank, N.A., has demonstrated excellent responsiveness in addressing the needs of the community. The following needs have been specifically addressed:

- Affordable rental housing for low- and moderate-income senior citizens
- Affordable housing for low- and moderate-income individuals
- Housing stock rehabilitation in low- and moderate-income areas
- New affordable housing rental units
- Rehabilitation of affordable rental units
- Downtown redevelopment initiatives
- Financial education for small business owners
- Partnerships between educational system and institutions
- Assistance to CDCs and other local organizations

Along with being responsive to particular community needs, CRA activity levels (primarily qualified investments and community development services) have been high. In reaching our conclusion, we gave consideration to the following primary contextual factors:

(1) Comerica BAnk, N.A.'s asset size is small, and its operations are limited. The bank's staff is small in number and has a limited range of expertise. The financial capacity of the bank was also considered. (2) Comerica Bank, N.A.'s and Comerica Incorporated's presence in the local community is limited to credit card operations. No Comerica affiliate has deposit-taking facilities serving the assessment area or the State of Ohio. (3) Comerica Bank, N.A.'s CRA activity levels have been high relative to the bank's size. For analysis purposes, size factors we considered were total assets, Tier One Capital, and net operating income.

Comerica Bank, N.A.'s qualified investments and CD loans total \$23.1 million, with primary positive consideration given to \$8.1 million. Less weight was given to \$15 million of qualified investments handled by the bank's affiliate for a very short amount of time. This is more fully described on page seven within the discussion of the Commodore Perry Project and on page nine where we discuss the

significant CD service aspects of this activity. Regardless of which number (\$8.1 million or \$23.1 million) is focused upon, CBNA's level of activity is considered high in relation to its size and capacity. We found the following:

- Comerica Bank, N.A.'s \$8.1 million in primary qualified investments and CD loans represented 30.2 percent of CBNA's total assets. Comerica Bank, N.A.'s full \$23.1 million of qualified investments and CD loans represent 85.7 percent of total assets. Total assets for this analysis is an average of year-end 1997 and 1998.
- Comerica Bank, N.A.'s \$8.1 million in primary qualified investments and CD loans represented 155 percent of CBNA's Tier One Capital, while its full \$23.1 million represented 440 percent. Tier One Capital for this analysis is an average of year-end 1997 and 1998.
- Comerica Bank, N.A.'s \$8.1 million in primary qualified investments and CD loans represented 102 percent of CBNA's net operating income, while its full \$23.1 million of activity represented 290 percent. Net operating income used in this analysis is an average of year-end 1997 and 1998.

CBNA's qualified investments and community development services have occasionally been innovative and complex. Refer to the Commodore Perry Project descriptions on pages seven and nine. Comerica Bank, N.A., has also taken on leadership roles in providing community development services.

### **Qualified Investments**

Comerica Bank, N.A.'s qualified investments total \$22,792,195 and are comprised of low-income housing tax credits, community development bonds; securities underwritten and briefly held; and grants made to local CDCs and community organizations to support community development initiatives.

All CBNA qualified investments occurred during the evaluation period, and all benefit the bank's assessment area or a broader statewide area that includes the assessment area. The substantial majority of investment dollars (82 percent) solely benefited the assessment area. This focus on the assessment area's needs is given particular positive consideration. While opportunities to invest are a function of market characteristics, CBNA made a strong effort to identify and participate in local initiatives.

Each of the four CRA-defined community development categories (affordable housing, services targeted to low- and moderate-income individuals, financing small businesses, and low- and

moderate-income area stabilization and rehabilitation) have been addressed by CBNA qualified investments. Comerica Bank, N.A., through its affiliates, has been particularly responsive to addressing affordable housing needs, which is a primary need identified in the assessment area. Individual qualified investments, none of which are being considered by another affiliate for CRA evaluation purposes, are described as follows:

- M-V Limited Partnership - In 1998 a CBNA affiliate made a \$3.656 million investment to obtain a 99 percent partnership interest in a project to rehabilitate and convert a former hospital facility into 89 affordable housing units for low- and moderate-income senior citizens. This enabled the bank to take advantage of \$2,235,192 in low-income housing tax credits and \$1,420,903 in historic rehabilitation tax credits. Located in Toledo, this project addresses the need for affordable housing for seniors within the bank's assessment area.
- Ohio Equity Fund for Housing Limited Partnership VII - In 1997 a CBNA affiliate made a \$1 million investment in this partnership, the purpose of which is to construct and rehabilitate affordable housing rental units throughout the State of Ohio. The general partner is the Ohio Equity Fund, Inc., which is affiliated with Ohio Capital Corporation for Housing created in 1989 by the State of Ohio Housing Finance Agency. This allows the bank to take advantage of low-income housing tax credits. This investment will help to address the affordable housing needs of the broad statewide area that includes CBNA's assessment area.
- Ohio Equity Fund for Housing Limited Partnership VIII - In 1998 a CBNA affiliate made a \$3 million investment in this partnership. Similar to the Limited Partnership VII fund described above, this partnership will construct and rehabilitate affordable housing rental units throughout Ohio, and allow the bank to take advantage of low income housing tax credits. This investment will help to address the affordable housing needs of the broad statewide area that includes CBNA's assessment area.
- Commodore Perry Project Bonds - A CBNA affiliate underwrote and acted as the placement agent for a series of bond issues totaling \$15 million for the City of Toledo. The financing package consisted of several tiers of bonds. The manner in which the package was created is considered innovative and complex. The bonds financed a community development project to convert a vacant building into an apartment complex for a mix of affordable and market rate housing. Low-income housing tax credits were available to the investors. As underwriter and placement agent, the CBNA affiliate held the bonds for a short period while the issue was placed with market investors. Therefore, these bonds are considered qualified investments for CBNA. A portion of the bonds was held for less than a day as institutional investor commitments were filled immediately. No CBNA affiliate held any of the bonds subsequent to the placement period. Due to the nature of the transaction and the brief period the bonds were held by the CBNA affiliate, limited positive consideration is given to these bonds from a qualified investment perspective. However, this activity provided a valuable service and was an integral part of

orchestrating a complex financing package, which supported a City of Toledo stabilization and revitalization plan. In this regard, the most significant positive consideration for this activity is considered a CD service. Refer to that section of this evaluation.

- Community Organization Grants - Through direct grants totaling \$136,100, CBNA has actively supported a large number of local organizations conducting community development initiatives within the bank's assessment area. In many cases the bank supplemented its financial support with technical assistance, as described under the Community Development Services section. The primary organizations CBNA has supported are summarized below.
  - Lagrange Development Corporation - a local CDC focusing efforts on housing rehabilitation and the stabilization of low- and moderate-income neighborhoods.
  - Local Initiatives Support Corporation (LISC) - local chapter of a national organization which supports local CDC efforts in affordable housing and low- and moderate-income neighborhood stabilization.
  - Neighborhood Business Institute - a project of Neighborhoods in Partnership (NIP), a partnership of local CDCs focused on the revitalization of low- and moderate-income neighborhoods. The Business Institute is a project to help entrepreneurs, in part, develop business plans to obtain financing.
  - Neighborhood Housing Services of Toledo - local chapter of national organization focusing on providing affordable housing to low- and moderate-income people.
  - Onyx - a local CDC focusing on affordable housing in a low- and moderate-income area.
  - Toledo Business Development Corporation - local non-profit providing training for small business entrepreneurs, including preparing business plans needed to obtain financing and access to loans and capital. Comerica Bank, N.A., also supported a project by funding a feasibility study for a HUD supported project to serve low- and moderate-income senior citizens.
  - Toledoans United for Social Action - a local non-profit providing social services targeted to low- and moderate-income and inner-city individuals.
  - Toledo Urban Homestead Program - City of Toledo program to rehabilitate city-owned housing stock. Comerica Bank, N.A., took a leadership role in initiating this program. Comerica Bank, N.A., funds are being held by LISC who will distribute to qualified CDCs.

- Toledo's Center of Science and Industry (COSI) - Funds used to help establish COSI as part of a City of Toledo downtown revitalization and stabilization plan. The project converted a vacant complex located in a low-income area into an educational facility.
- Warren Sherman Area Council - local CDC focusing on affordable housing initiatives in low- and moderate-income area for low- and moderate-income individuals.

### **Community Development Loans**

During the evaluation period, Comerica Bank (Detroit, Michigan), an affiliate of CBNA, purchased nine residential mortgage loans totaling \$340,630 on behalf of CBNA. The loans were to low- and moderate-income individuals within CBNA's assessment area, and are not included in the CRA performance of any other Comerica Incorporated affiliate. In weighting the degree of positive consideration we gave to these loans, we took into account that (1) Comerica Incorporated affiliates do not have a deposit presence or a material lending presence in CBNA's assessment area. Therefore, generating these loans internally would be difficult. (2) Comerica Bank, N.A., and its affiliate took the initiative to proactively seek out a way to help address the affordable housing market in the Toledo area.

### **Community Development Services**

Comerica Bank, N.A., has provided a high level of community development services, and at times have taken on leadership roles. In drawing this conclusion, we gave consideration to the bank's small staff size and its limited range of expertise, as well as the bank's limited presence in the market. The primary services provided are summarized below:

- Commodore Perry Project - Representatives of CBNA and its affiliates took leadership roles to provide technical assistance in support of a community development project. A vacant downtown Toledo building is being converted into an apartment complex. This project addresses the need for downtown affordable housing, and downtown redevelopment and stabilization efforts by the city. Orchestrating this transaction was complex, and resulted in several tiers of bond financing. Representatives from CBNA's Detroit affiliate (Comerica Bank) Business Development Department and Comerica Securities, Inc., engaged in numerous meetings with city representatives to structure the financing package. City officials stated that Comerica was the only financial organization willing to take on this endeavor. The complex consists of 156 units, with 40 percent rented to low-income occupants and the remaining rented at market rates. As reflected in the Qualified Investment section, Comerica Securities was the underwriter and placement agent of the bond series totaling \$15 million. Investors were able to take advantage of low-income housing tax credits.

- Neighborhood Business Institute - The institute is a project of NIP, a partnership of local CDCs focused on the revitalization of low- and moderate-income neighborhoods. By providing NIP technical assistance and expertise, a bank representative played a leadership role in helping to plan and establish this entity. The institute was created to assist individuals in opening or starting a business, including providing training and assistance with obtaining credit. A bank credit officer conducted a workshop on credit guidelines attended by 25 new or existing small business owners. Furthermore, CBNA provided financial support in the form of a grant, as previously discussed under the Qualified Investment section.
- Toledo Business Development Corporation (TBDC) - Comerica Bank, N.A., was the sole sponsor of TBDC's small business development workshop. The six-week workshop assisted business owners in developing business plans to obtain financing and to own and operate a successful business. In addition, a bank representative conducted a money management workshop. Comerica Bank, N.A.'s sponsorship included funding the costs of the workshops, as previously discussed under the Qualified Investment section.

A CBNA representative also provided TBDC with technical assistance to expand its scope and create a housing program. This included providing key contacts, assistance, and resources to secure financing for a housing project in a low- and moderate-income area. As a result of this assistance, an application to HUD was made and a \$4 million grant was awarded to provide 100 percent financing for the construction of a senior citizen's building.

- Math You Can Bank On - Comerica Bank, N.A. introduced and piloted this financial education program in two elementary and two high schools located in low- and moderate-income areas. A total of 837 students enrolled in the program designed to teach students money management skills.
- Neighborhood Housing Services of Toledo - A bank representative participated in this affordable housing oriented organization's open house event. The representative distributed educational publications on budgeting and a guide for first time homebuyers to approximately 100 participants from the surrounding low- and moderate-income area.
- Area Office on Aging of Northwestern-Ohio - Comerica Bank, N.A., was the sole sponsor of a financial education program for senior citizens. Approximately 50 percent of the nearly 500 participants came from low- and moderate-income areas.
- Toledo Urban Homestead Program - A CBNA representative took a leadership role and initiated a partnership among city officials, LISC and non-profit organizations to form an investment pool where community development corporations will rehabilitate city-owned properties for home ownership by low- and moderate-income individuals. As previously

discussed under the Qualified Investments section, CBNA also made an initial investment to the pool.

- Comerica Bank, N.A., continues to distribute the City of Toledo Neighborhood Planning Handbook that it (through its affiliates) created to improve communications between neighborhood organizations, the City of Toledo and other agencies. The handbook includes listings and descriptions of local neighborhood organizations, city contacts, an index of neighborhood revitalization resources, an index of nonprofit housing development organizations, as well as information on neighborhood revitalization approaches, general organizational planning, and funding sources.

## **Fair Lending Review**

Comerica Bank, N.A., has effective fair lending policies, procedures, training programs, and internal monitoring processes in place. No violations of anti-discrimination laws and regulations have been identified, including the Equal Credit Opportunity Act. This conclusion is based on a review of underwriting practices and through a comparative file analysis of the bank's 1998 open-end "Cash Reserve Account" product line. Our analysis was based on gender, and we concluded that male applicants and female applicants were treated similarly.

## ***APPENDIX***

### **Scope of Evaluation**

The evaluation assessed CBNA's performance as outlined below:

- The bank's CRA performance was assessed using the CD test, as available for limited purpose institutions. This test focuses attention on the bank's CD lending, CD services, and qualified investment activity.
- The period of review was April 30, 1996, (the date of the last examination) to March 8, 1999. The prior evaluation, as described in a performance evaluation dated April 30, 1996, resulted in a "Satisfactory" rating.
- Lending, qualified investment and community development service activities performed on behalf of CBNA by its affiliates were considered. None of the activities considered are being claimed by other Comerica Incorporated affiliates for CRA purposes.