



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Community Development Investment Letter #2004-3
February 2005
12 CFR 24

November 22, 2004

Mr. Edward Quinlivan
Vice President
Union Bank of California, N.A.
530 "B" Street, Suite 500
San Diego, California 92101

Dear Mr. Quinlivan:

This letter responds to the after-the-fact notification from Union Bank of California, N.A. (the "Bank") that we received on November 4, 2004. The Bank indicates that it made an investment of \$1,800,000 in the 504 Ace Fund I, Limited Partnership (the "Fund") under the requirements of 12 USC §24 (Eleventh) (the "Statute") and 12 CFR Part 24 (the "Regulation") concerning national bank community and economic development entities, community development projects, and other public welfare investments.

The Bank's notice indicates that its investment in the Fund primarily benefits low- and moderate-income individuals and areas. The Fund will invest in second trust deed permanent loans on retail, office, commercial and industrial projects in Los Angeles County, California.

The Bank attests that it is eligible to provide an after-the-fact notification, and that the investment complies with the public welfare and the investment limit requirements of §§ 24.3 and 24.4 of the Regulation. As we indicated in our previous opinion letter dated October 18, 2000, the OCC will permit the Bank to provide after-the-fact notifications for its Part 24 investments up to 10 percent of its unimpaired capital and surplus. The Bank indicated that the aggregate amount of its Part 24 investments, including investment that is subject to this submission is [] percent of its capital and surplus. The OCC's decision to allow the Bank's after-the-fact notices up to 10 percent of its capital and surplus is based on the determination that the Bank continues to be [], and that the additional investment amounts do not pose risk to the Federal Deposit Insurance Fund. In no event shall the Bank's aggregate investments, including their contingent liabilities under the statute or the regulation exceed 10 percent of its capital and surplus. If requested by the OCC, the Bank will provide reports concerning its Part 24 investment.

The response set forth in this letter is based on information and representations provided to us by the Bank. Any change in the nature, amount, or purpose of the Bank's investment could result in a different response being rendered concerning the conformance of the Bank's investment with the Statute and the Regulation.

This response regarding the Bank's Part 24 investment and the activities, and communications by OCC employees in connection with this filing, does not constitute a contract, express or implied, or any other obligation upon the OCC, the U.S., or any agency or entity of the U.S., or an officer or employee of the U.S. This response does not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable laws and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U.S.

If you have questions regarding this letter, please feel free to contact me at (202) 874-4930. You may also access general information about the national bank community development investment authority under Part 24 on <http://www.occ.treas.gov/cdd/pt24toppage.htm>.

Sincerely,

/s/ Barry R. Wides

Barry R. Wides
Deputy Comptroller
Community Affairs