

*Quarterly
Journal*

INTERPRETATIONS

INTERPRETATIONS

April [[Interpretations and Actions](#)]

1020, 2/8/2005, Letter concludes that national bank directors may meet the qualifying shares requirement under 12 USC 72 by purchasing trust preferred stock. [Note: Reprinted because of date error]

1024, 3/21/2005, Letter concludes that a national bank that renews a loan to an insider violates section 215.4(a)(1) of Regulation O and section 22(h)(A) of the Federal Reserve Act if the loan either (i) is preferential or (ii) involves more than the normal risk of repayment or presents other unfavorable features.

1025, 4/6/2005, Letter concludes that it is permissible for a national bank to engage in customer-driven electricity derivative transaction and hedges, settled in cash and by transitory title transfer, as activities part of, or incidental to, bank permissible financial intermediation transactions.

May [[Interpretations and Actions](#)]

1026, 4/27/2005, Letter concludes that the bank's proposed securities conduit lending services are legally permissible for a national bank.

1027, 5/3/2005, Letter confirms that the bank may purchase and hold the preferred securities of two special purpose entities that hold interests in Australian mortgage assets.

1028, 5/9/2005, Letter concludes that the OCC would not find a violation of 12 CFR 37.3(a) in connection with a national bank's automobile loan that includes a GAP feature offered by the bank because the OCC views the underlying loan and the GAP feature as a single product, and the financial arrangement does not create a separate product.

June [[Interpretations and Actions](#)]

1029, 5/23/2005, Letter grants a request for a waiver of certain provisions of the OCC's securities confirmation rules at 12 CFR Part 12 in connection with the bank's transfer agent activities for various dividend reinvestment, stock purchase, and employee stock purchase plans.

1030, 5/26/2005, Letter concludes that national bank may continue to hold a separate account bank-owned life insurance investment that in turns holds interests in instruments with characteristics of debt securities and a rate of return, a portion of which is linked to equity securities, provided the bank's examiner-in-charge has no supervisory objection.

1031, 1/19/1995, Letter concludes that a bank may create a trust to purchase and hold investments beyond those allowed for national banks without violating 12 USC 24(Seventh) and 12 CFR Part 1.

1032, 6/16/2005, Letter concludes that "GAP Addendums" sold by a national bank to borrowers in connection with the bank's motor vehicle loans, in connection with a GAP program administered by an insurance company, are debt cancellation contracts subject to 12 CFR Part 37.