

(i) to sell financial assets without an unusual and significant discount; or

(ii) to borrow using financial assets as collateral without an unusual and significant increase in margin; or

(B) an unusual and significant reduction in the ability of financial market participants to obtain unsecured credit.

**(4) Solvent**

The term “solvent” means that the value of the assets of an entity exceed its obligations to creditors.

(Pub. L. 111–203, title XI, § 1105, July 21, 2010, 124 Stat. 2121.)

REFERENCES IN TEXT

Section 1105 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, referred to in subsec. (d)(4)(C), (D), is section 1105 of Pub. L. 111–203, which is classified to this section.

Section 208(n)(5)(E), referred to in subsec. (e)(5), probably means section 210(n)(5)(E) of Pub. L. 111–203, which is classified to section 5390(n)(5)(E) of this title, because section 208 does not contain a subsec. (n) and section 210(n)(5)(E) relates to treatment of certain purchases and sales of obligations by the Secretary as public debt.

**§ 5613. Additional related matters**

**(a) Suspension of parallel Federal Deposit Insurance Act authority**

Effective upon July 21, 2010, the Corporation may not exercise its authority under section 1823(c)(4)(G)(i) of this title to establish any widely available debt guarantee program for which section 5612 of this title would provide authority.

**(b) Omitted**

**(c) Effect of default on an FDIC guarantee**

If an insured depository institution or depository institution holding company (as those terms are defined in section 1813 of this title) participating in a program under section 5612 of this title, or any participant in a debt guarantee program established pursuant to section 1823(c)(4)(G)(i) of this title defaults on any obligation guaranteed by the Corporation after July 21, 2010, the Corporation shall—

(1) appoint itself as receiver for the insured depository institution that defaults; and

(2) with respect to any other participating company that is not an insured depository institution that defaults—

(A) require—

(i) consideration of whether a determination shall be made, as provided in section 5383 of this title to resolve the company under section 5382 of this title; and

(ii) the company to file a petition for bankruptcy under section 301 of title 11 if the Corporation is not appointed receiver pursuant to section 5382 of this title within 30 days of the date of default; or

(B) file a petition for involuntary bankruptcy on behalf of the company under section 303 of title 11.

(Pub. L. 111–203, title XI, § 1106, July 21, 2010, 124 Stat. 2125.)

CODIFICATION

Section is comprised of section 1106 of Pub. L. 111–203. Subsec. (b) of section 1106 of Pub. L. 111–203 amended section 1823 of this title.

**§ 5614. Exercise of Federal Reserve authority**

**(1) No decisions by Federal reserve bank presidents**

No provision of subchapter I relating to the authority of the Board of Governors shall be construed as conferring any decision-making authority on presidents of Federal reserve banks.

**(2) Voting decisions by Board**

The Board of Governors shall not delegate the authority to make any voting decision that the Board of Governors is authorized or required to make under subchapter I of this chapter in contravention of section 248(k) of this title.

(Pub. L. 111–203, title XI, § 1108(d), July 21, 2010, 124 Stat. 2127.)

REFERENCES IN TEXT

Subchapter I, referred to in text, was in the original “title I”, meaning title I of Pub. L. 111–203, July 21, 2010, 124 Stat. 1391, known as the Financial Stability Act of 2010, which is classified principally to subchapter I (§ 5311 et seq.) of this chapter. For complete classification of title I to the Code, see Short Title note set out under section 5301 of this title and Tables.

SUBCHAPTER VII—IMPROVING ACCESS TO MAINSTREAM FINANCIAL INSTITUTIONS

**§ 5621. Purpose**

The purpose of this subchapter is to encourage initiatives for financial products and services that are appropriate and accessible for millions of Americans who are not fully incorporated into the financial mainstream.

(Pub. L. 111–203, title XII, § 1202, July 21, 2010, 124 Stat. 2129.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this title”, meaning title XII of Pub. L. 111–203, July 21, 2010, 124 Stat. 2129, known as the Improving Access to Mainstream Financial Institutions Act of 2010, which is classified principally to this subchapter. For complete classification of title XII to the Code, see Short Title note set out under section 5301 of this title and Tables.

EFFECTIVE DATE

Subchapter effective 1 day after July 21, 2010, except as otherwise provided, see section 4 of Pub. L. 111–203, set out as a note under section 5301 of this title.

SHORT TITLE

This subchapter known as the “Improving Access to Mainstream Financial Institutions Act of 2010”, see Short Title note set out under section 5301 of this title.

**§ 5622. Definitions**

In this subchapter, the following definitions shall apply:

**(1) Account**

The term “account” means an agreement between an individual and an eligible entity under which the individual obtains from or through the entity 1 or more banking products

and services, and includes a deposit account, a savings account (including a money market savings account), an account for a closed-end loan, and other products or services, as the Secretary deems appropriate.

**(2) Community development financial institution**

The term “community development financial institution” has the same meaning as in section 4702(5) of this title.

**(3) Eligible entity**

The term “eligible entity” means—

(A) an organization described in section 501(c)(3) of title 26, and exempt from tax under section 501(a) of such title;

(B) a federally insured depository institution;

(C) a community development financial institution;

(D) a State, local, or tribal government entity; or

(E) a partnership or other joint venture comprised of 1 or more of the entities described in subparagraphs (A) through (D), in accordance with regulations prescribed by the Secretary under this subchapter.

**(4) Federally insured depository institution**

The term “federally insured depository institution” means any insured depository institution (as that term is defined in section 1813 of this title) and any insured credit union (as that term is defined in section 1752 of this title).

(Pub. L. 111-203, title XII, §1203, July 21, 2010, 124 Stat. 2129.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this title”, meaning title XII of Pub. L. 111-203, July 21, 2010, 124 Stat. 2129, known as the Improving Access to Mainstream Financial Institutions Act of 2010, which is classified principally to this subchapter. For complete classification of title XII to the Code, see Short Title note set out under section 5301 of this title and Tables.

**§ 5623. Expanded access to mainstream financial institutions**

**(a) In general**

The Secretary is authorized to establish a multiyear program of grants, cooperative agreements, financial agency agreements, and similar contracts or undertakings to promote initiatives designed—

(1) to enable low- and moderate-income individuals to establish one or more accounts in a federally insured depository institution that are appropriate to meet the financial needs of such individuals; and

(2) to improve access to the provision of accounts, on reasonable terms, for low- and moderate-income individuals.

**(b) Program eligibility and activities**

**(1) In general**

The Secretary shall restrict participation in any program established under subsection (a) to an eligible entity. Subject to regulations prescribed by the Secretary under this sub-

chapter, 1 or more eligible entities may participate in 1 or several programs established under subsection (a).

**(2) Account activities**

Subject to regulations prescribed by the Secretary, an eligible entity may, in participating in a program established under subsection (a), offer or provide to low- and moderate-income individuals products and services relating to accounts, including—

(A) small-dollar value loans; and

(B) financial education and counseling relating to conducting transactions in and managing accounts.

(Pub. L. 111-203, title XII, §1204, July 21, 2010, 124 Stat. 2130.)

REFERENCES IN TEXT

This subchapter, referred to in subsec. (b)(1), was in the original “this title”, meaning title XII of Pub. L. 111-203, July 21, 2010, 124 Stat. 2129, known as the Improving Access to Mainstream Financial Institutions Act of 2010, which is classified principally to this subchapter. For complete classification of title XII to the Code, see Short Title note set out under section 5301 of this title and Tables.

**§ 5624. Low-cost alternatives to small dollar loans**

**(a) Grants authorized**

The Secretary is authorized to establish multiyear demonstration programs by means of grants, cooperative agreements, financial agency agreements, and similar contracts or undertakings, with eligible entities to provide low-cost, small loans to consumers that will provide alternatives to more costly small dollar loans.

**(b) Terms and conditions**

**(1) In general**

Loans under this section shall be made on terms and conditions, and pursuant to lending practices, that are reasonable for consumers.

**(2) Financial literacy and education opportunities**

**(A) In general**

Each eligible entity awarded a grant under this section shall promote and take appropriate steps to ensure the provision of financial literacy and education opportunities, such as relevant counseling services, educational courses, or wealth building programs, to each consumer provided with a loan pursuant to this section.

**(B) Authority to expand access**

As part of the grants, agreements, and undertakings established under this section, the Secretary may implement reasonable measures or programs designed to expand access to financial literacy and education opportunities, including relevant counseling services, educational courses, or wealth building programs to be provided to individuals who obtain loans from eligible entities under this section.

(Pub. L. 111-203, title XII, §1205, July 21, 2010, 124 Stat. 2130.)

**§ 5625. Procedural provisions**

An eligible entity desiring to participate in a program or obtain a grant under this subchapter