

**NHTSA Decision**

*NHTSA Analysis:* MTI explains that the noncompliance is that the wheels on the subject vehicles incorrectly identify the rim size as 24.5" x 8.25" instead of 22.5" x 8.25", and therefore do not meet the requirements of paragraph S5.2(b) of FMVSS No. 120. Specifically, the marking error overstates the wheel diameter by 2".

NHTSA has reviewed MTI's analyses that the subject noncompliance is inconsequential to motor vehicle safety and provides the following analysis:

When it comes to mating a tire and rim combination, it becomes very apparent very quickly that either an oversized tire on a rim or an undersized tire on the same sized rim will not properly seat to that rim. In this particular case (the former) as MTI has mentioned in its petition, if someone tries to mount a 24.5" inch tire on an undersized rim (22.5"), it will not hold air and therefore cannot be inflated. The inability to mount the incorrect tire on the rim precludes one's ability to actually drive with an incorrect tire-rim combination on public roadways. Furthermore, FMVSS No. 120 paragraph S5.3 requires vehicles be labeled with proper tire/rim size combinations. This additional information is available to provide the vehicle operator or technician with the correct tire/rim size information.

*NHTSA's Decision:* In consideration of the foregoing, NHTSA finds that MTI has met its burden of persuasion that the FMVSS No. 120 noncompliance is inconsequential as it relates to motor vehicle safety. Accordingly, MTI's petition is hereby granted and MTI is consequently exempted from the obligation to provide notification of, and remedy for, the subject noncompliance in the affected vehicles under 49 U.S.C. 30118 and 30120.

NHTSA notes that the statutory provisions (49 U.S.C. 30118(d) and 30120(h)) that permit manufacturers to file petitions for a determination of inconsequentiality allow NHTSA to exempt manufacturers only from the duties found in sections 30118 and 30120, respectively, to notify owners, purchasers, and dealers of a defect or noncompliance and to remedy the defect or noncompliance. Therefore, this decision only applies to the subject vehicles that MTI no longer controlled at the time it determined that the noncompliance existed. However, the granting of this petition does not relieve vehicle distributors and dealers of the prohibitions on the sale, offer for sale, or introduction or delivery for introduction into interstate commerce of

the noncompliant vehicles under their control after MTI notified them that the subject noncompliance existed.

**Authority:** 49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.95 and 501.8.

**Jeffrey M. Giuseppe,**  
Director, Office of Vehicle Safety Compliance.

[FR Doc. 2017-22111 Filed 10-11-17; 8:45 am]

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**DEPARTMENT OF THE TREASURY****Office of the Comptroller of the Currency**

[Docket ID OCC-2017-0019]

**Rescission of Guidance on Supervisory Concerns and Expectations Regarding Deposit Advance Products**

**AGENCY:** Office of the Comptroller of the Currency (OCC), Treasury.

**ACTION:** Rescission of guidance.

**SUMMARY:** The OCC is rescinding its supervisory guidance entitled "Guidance on Supervisory Concerns and Expectations Regarding Deposit Advance Products" and OCC Bulletin 2013-40 (collectively, Guidance), which address the OCC's expectations regarding the offering of deposit advance products by national banks and federal savings associations (collectively, banks). The OCC is rescinding the Guidance in light of the adoption of a final rule on payday, vehicle title, and certain high-cost installment loans by the Consumer Financial Protection Bureau (CFPB), which overlaps with the Guidance, resulting in potentially inconsistent regulatory guidance for banks.

**DATES:** This Guidance is rescinded effective October 5, 2017.

**FOR FURTHER INFORMATION CONTACT:** Paul Reymann, Director, Consumer Compliance Policy, (202) 649-5470; Steven Jones, Director, Retail Credit Risk, (202) 649-6220; Kenneth Lennon, Director, Community and Consumer Law, (202) 649-6350; Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219 or, for persons who are deaf or hard of hearing, TTY, (202) 649-5597.

**SUPPLEMENTARY INFORMATION:**

In 2013, the OCC issued the Guidance to set forth the agency's expectations regarding deposit advance products offered by banks.<sup>1</sup> A deposit advance product is a small-dollar, short-term

loan or line of credit that a bank makes available to a customer whose deposit account reflects recurring direct deposits. The customer obtains a loan, which is to be repaid from the proceeds of the next direct deposit. The Guidance highlighted potential credit, reputation, operational, compliance, and other issues associated with deposit advance products and encouraged banks to be aware of these issues so that banks offering these products in response to their customers' short-term, small-dollar credit needs did not engage in practices that would increase these risks or result in the unfair treatment of bank customers.

Since adoption of the Guidance in 2013, the regulatory and marketplace landscapes have changed, and the OCC has gained supervisory experience with application of the Guidance to deposit advance products. Most recently, the CFPB adopted a rule entitled "Payday, Vehicle Title, and Certain High-Cost Installment Loans" (CFPB's Final Rule),<sup>2</sup> regarding short-term, small-dollar loans, which overlaps with the Guidance and will therefore apply to many of the loans addressed by the Guidance. For example, the CFPB's Final Rule includes underwriting requirements for covered loans that are inconsistent with certain aspects of the Guidance. In addition, the CFPB's Final Rule provides for cooling-off periods that differ from those set forth in the Guidance. Thus, the continuation of the Guidance would subject banks to potentially inconsistent regulatory direction and undue burden as banks prepare to implement the requirements of the CFPB's Final Rule.

In addition, based on the changed regulatory and marketplace landscape and our supervisory experience noted above, the OCC is concerned that banks are able to serve consumers' needs for short-term, small-dollar credit. As a practical matter, consumers who would prefer to rely on banks and thrifts for these products may be forced to rely on less regulated lenders and be exposed to the risk of consumer harm and expense.

Accordingly, the OCC is rescinding the Guidance. In rescinding the Guidance, the OCC considered that many other OCC guidance documents cover key elements of consumer lending, and these guidance documents

<sup>2</sup> Today the CFPB announced that it adopted and submitted the CFPB's Final Rule for publication in the *Federal Register*. <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/payday-vehicle-title-and-certain-high-cost-installment-loans/>. The CFPB issued its notice of proposed rulemaking on payday loans in 2016. 81 FR 47864 (July 22, 2016).

<sup>1</sup> 78 FR 70624 (November 26, 2013).

remain in effect and will continue to apply to deposit advance products.<sup>3</sup>

The OCC continues to support and encourage banks and savings associations to develop and use innovative products to meet customers' short-term, small-dollar credit needs and will continue to ensure that banks that choose to offer this type of product do so responsibly. In providing deposit advance products and other short-term, small-dollar loans, banks should be guided by basic principles of prudent underwriting and risk management as well as fair and inclusive treatment of customers. In particular, banks should consider the following core principles when offering innovative, short-term, small-dollar loan products:

- All bank products should be consistent with safe and sound banking, treat customers fairly, and comply with applicable laws and regulations.
- Banks should effectively manage the risks associated with the products they offer, including credit, operational, compliance, and reputation.
- All credit products should be underwritten based on reasonable policies and practices, including guidelines governing the amounts borrowed, frequency of borrowing, and repayment requirements.

OCC examiners will continue to assess how banks offer short-term, small-dollar loan products, including whether management oversight is appropriate, whether risks posed by third-party relationships are appropriately managed, and whether the product complies with applicable federal consumer protection statutes. The OCC will take appropriate action to address any unsafe or unsound banking practice or violations of law associated with these products.

Dated: October 5, 2017.

**Keith A. Noreika,**

*Acting Comptroller of the Currency.*

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<sup>3</sup> See, e.g., Advisory Letter 2000-7, "Abusive Lending Practices"; *Comptroller's Handbook*, "Deposit-Related Credit" (underwriting, credit administration, management oversight); OCC Bulletin 2010-16, "Guidance for Evaluating Capital Planning and Adequacy" (capital planning); OCC Bulletin 2001-37, "ALLL Methodologies and Documentation" (ALLL); OCC Bulletin 2013-29, "Third-Party Relationships: Risk Management Guidance," as supplemented by OCC Bulletin 2017-21, "Third-Party Relationships: Frequently Asked Questions to Supplement OCC Bulletin 2013-29." The "Deposit-Related Credit" booklet, which provides guidance to and procedures for examiners, will be revised to remove references to the Guidance.

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Sanctions Actions Pursuant to Executive Order 13581

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the name of a person whose property and interests in property have been unblocked pursuant to Executive Order 13581 of July 24, 2011, "Blocking Property of Transnational Criminal Organizations."

**DATES:** OFAC's actions described in this notice were effective on June 6, 2017.

**FOR FURTHER INFORMATION CONTACT:** The Department of the Treasury's Office of Foreign Assets Control: Assistant Director for Licensing, tel.: 202-622-2480, Assistant Director for Regulatory Affairs, tel.: 202-622-4855, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; or the Department of the Treasury's Office of the Chief Counsel (Foreign Assets Control), Office of the General Counsel, tel.: 202-622-2410.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Availability

The list of Specially Designated Nationals and Blocked Persons (SDN List) and additional information concerning OFAC sanctions programs are available from OFAC's Web site at <http://www.treasury.gov/ofac>.

##### Notice of OFAC Actions

On June 6, 2017, OFAC removed from the SDN List the person listed below, whose property and interests in property were blocked pursuant to Executive Order 13581.

##### Individual

1. BOTTCHER, Monica Elizabete (a.k.a. BOTTCHER, Monica Elizabeth), 45 Knock Rushen, Castletown, Isle of Man IM9 1TQ, United Kingdom; DOB 26 Feb 1973 (individual) [TCO] (Linked To: PACNET BRAZIL; Linked To: PACNET GROUP)

Dated: June 6, 2017.

**Andrea Gacki,**

*Acting Director, Office of Foreign Assets Control.*

**Editorial Note:** This document was received at the Office of the Federal Register on Friday, October 6, 2017.

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## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Sanctions Actions Pursuant to Executive Order 13581

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the name of a person whose property and interests in property have been unblocked pursuant to Executive Order 13581 of July 24, 2011, "Blocking Property of Transnational Criminal Organizations."

**DATES:** OFAC's actions described in this notice were effective on June 21, 2017.

**FOR FURTHER INFORMATION CONTACT:** The Department of the Treasury's Office of Foreign Assets Control: Assistant Director for Licensing, tel.: 202-622-2480, Assistant Director for Regulatory Affairs, tel.: 202-622-4855, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; or the Department of the Treasury's Office of the Chief Counsel (Foreign Assets Control), Office of the General Counsel, tel.: 202-622-2410.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Availability

The list of Specially Designated Nationals and Blocked Persons (SDN List) and additional information concerning OFAC sanctions programs are available from OFAC's Web site at <http://www.treasury.gov/ofac>.

##### Notice of OFAC Actions

On June 21, 2017, OFAC removed from the SDN List the person listed below, whose property and interests in property were blocked pursuant to Executive Order 13581.

##### Individual

1. DRISCOLL, Mary Ann, Vancouver, British Columbia, Canada; DOB 01 Jun 1950 to 30 Jun 1950; nationality Canada (individual) [TCO] (Linked To: CHEXX INC.; Linked To: INDIAN RIVER (UK) LTD.; Linked To: PACNET GROUP).

Dated: June 21, 2017.

**Andrea Gacki**

*Acting Director, Office of Foreign Assets Control.*

**Editorial Note:** This document was received at the Office of the Federal Register on Friday, October 6, 2017.

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