**Section 345.240 Service Test**

a) Scope of test. The service test evaluates a bank's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of a bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

b) Area benefited. Community development services must benefit a bank's assessment area or a broader Statewide or regional area that includes the bank's assessment area.

c) Affiliate service. At a bank's option, the Secretary will consider, in its assessment of a bank's service performance, a community development service provided by an affiliate of the bank, if the community development service is not claimed by any other institution and in this regard the bank shall monitor and keep records of whether such claims exist.

d) Performance criteria − retail banking services. The Secretary evaluates the availability and effectiveness of a bank's systems for delivering retail banking services, considering the assessment factors in Section 345.200 and pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;

2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;

3) The availability and effectiveness of alternative systems for delivering retail banking services (e.g.*,* RSFs, surcharge-free RSFs within its network, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals;

4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies; and

5) The bank's record of effectively marketing its retail banking services to unbanked or underbanked persons and offering retail banking services targeted to meet the needs of unbanked and underbanked persons. In determining whether a bank offers retail banking products and services targeted to meet the needs of unbanked and underbanked persons, the Department shall consider:

A) whether the bank offers accounts substantially and materially similar to BankOn certified accounts; or

B) whether the bank offers financial services and products to users of alternative financial products or services, provided that, that the bank has affirmatively and reasonably demonstrated that:

1. the bank offers such accounts or such financial services and products in conjunction with focused and sustained marketing efforts reasonably designed to reach unbanked and underbanked persons;

ii) unbanked and underbanked persons may reasonably conveniently obtain or use such accounts or such financial services and products; and

iii) the bank offers such accounts or such financial services and products at a cost to the unbanked and underbanked persons that is significantly lower than would otherwise be incurred by the users of alternative financial products or services.

e) Performance criteria − community development services. The Secretary evaluates community development services considering the assessment factors in Section 345.200 and pursuant to the following criteria:

1) The extent to which the bank provides community development services; and

2) The innovativeness and responsiveness of community development services.

f) Service performance rating. The Secretary rates a bank's service performance as provided in Section 345.APPENDIX A.