

August 20, 2018

Via Overnight Courier

Barry Simmons
Renaissance Indexes Group
7000 Fonvilla Street – Suite # 2310
Houston, Texas 77074

Re: Petition to Downgrade CRA Rating of Comerica Bank

Dear Mr. Simmons:

Comerica Bank is in receipt of your August 10, 2018, Petition to Downgrade the CRA Rating of Comerica Bank (the "**Downgrade Petition**"). In this regard and with respect to all of your past filings, petitions, and letters, Comerica Bank takes each and every one of those correspondences seriously and carefully evaluates each of them. With respect to your Downgrade Petition, after a careful review of its content, we have determined that it is duplicative of the same issues raised in your CRA Protest Complaint (reformatted), which you filed with the Federal Reserve Bank of Dallas on July 30, 2018 (the "**CRA Petition**").

Because Comerica Bank has been engaged in reviewed each of the issues raised by CRA Petition and preparing a response letter to that petition, please accept that forthcoming response as satisfying a response to your Downgrade Petition.

Sincerely,



Bill Becker
Senior Vice President
Community Reinvestment Act Manager

Cc; Comerica Bank CRA Public File
John S. Insley, Jr. – FRB-Dallas

Federal Reserve Bank
ATTN: Karen Smith
Petition To Downgrade CRA Rating Complaint

August 10, 2018

The **Renaissance Indexes Group** (RIG, Claimant) files the Petition To Downgrade Complaint against **Comerica Bank** in the 2018 CRA Examination by **the FRB**. The RIG is the chief Complainant in the banking complaints filed with the **FRB** that outlined where **Comerica Bank** is engaged in practices, actions (and non-actions) and policies that result in the disparate impact and in the disproportionate discriminate effect and in the illegal discrimination and denial of the full enjoyment of Equal rights of access to capital, lending and banking services perpetrated against the protected class of black Americans and in redlining of whole black American Neighborhoods in the specified Zip Codes in Houston and in Dallas.

The RIG has filed Complaints with the **FRB** against **Comerica Bank** for the correction, fixing and ending of the continuing injustices suffered by the aggrieved parties – the protected class of black Americans.

This Letter is to petition the **FRB** for the **Downgrade** of the CRA Rating of **Comerica Bank** to “**Needs To Improve**” and to impose Agency enforcement actions for the reclamation of rights denied to the protected class of black Americans by the practices, actions (and non-actions) and policies of **Comerica Bank**.

It is axiomatic that the Bank up for CRA Examination is not entitled for automatic renewal of its CRA Rating – especially where the Agency receives Complaints that outline Illegal Discrimination Claims and violations of the banking laws.

The high standards that the **FRB** has set – and that the Bank was well aware of – must be maintained as this goes to the heart of the integrity of the banking system – the Bank has a continuing duty to be in and remain in full compliance with all of the components of the banking laws in their entirety and in their full and final perfection.

Indeed, it is not in the best interest of society and nor of the communities in which the banks serve for the Bank to do anything less. It is not in the public interest for the **FRB** to do anything less than to aggressively enforce the banking laws to assure that the Banks named in the Complaints are in full compliance with all of the banking laws in their entirety and in their full and final perfection.

The operative phrase in this proceeding is “in full compliance” with the banking laws - and with the other applicable rulings and laws as well. To this end this is the legal standard in which to make the determination of whether the CRA Rating of **Comerica Bank is to be downgraded**

The **FRB** – in the person of General Counsel – has assured US Senator John Cornyn that the “FRB enforces the ECOA and the FHA in their entirety” -pursuant to a Complaint filed by the RIG with the Senators office against the FRB.

This statement is critical to the investigation into this **Downgrade Complaint** filed by the RIG.

The **FRB** is bound by its duties to faithfully execute its sworn duties of supervision and to faithfully execute its sworn duties of enforcement of the banking laws in their entirety and in the laws’ full and final perfection

Comerica Bank is bound by its sworn duties and responsibilities to fulfill the components of the banking laws in their entirety and in their full and final perfection -and to discharge its responsibilities to be in full compliance with all of the components of all of the banking laws in their entirety

-the Bank does not get to pick and choose which of the banking laws it is going to abide by and which it is going to ignore – to this end **Comerica Bank**

-does not get to pick and choose which Neighborhoods are to receive the Bank investments for the full enjoyment of rights in banking and which Neighborhoods are to be denied – especially on the prohibited basis of race and Zip Codes

-does not get to pick and choose which Neighborhoods are to receive the favored advantages of bank branches – bricks and mortar free-standing edifices – Bank Financed Developments – stores, restaurants, office towers, office buildings, apartment complexes and luxury Mixed Use Developments and Community Development Loans for the stabilization and revitalization of the Neighborhoods – of the more than 60 Bank branches in Houston MSA **Comerica Bank** has placed only 2 branches inside of the black American Neighborhoods -as the other **Comerica Bank** branches are on the periphery. This is a worse per capita bank branch placement ration than in the landmark case of US V Chevy Chase FSB – and is certainly deserving of Agency enforcement actions

-does not get to pick and choose which Neighborhoods are to be the beneficiary of the full range of the Banks’ lending and credit products and which Neighborhoods are to be denied – to include business lending – especially in Working Capital and Bridge Loans. Mortgages – to include the most favored mortgages and home equity lending – both in geographical distribution and in dollar amounts **Comerica Bank** lending presence is all but invisible in the black American Neighborhoods in Houston. **Comerica Bank** and has engaged in practices of “failing to market residential real estate loan products to African-Americans” – and its “actions resulted in a lack of market penetration in African American communities” and such practices, actions (and non-actions) and policies violate Section 805 of the Fair Housing Act. This is the controlling authority in the Court holding in US V Midland States Bancorp.

-does not get to pick and choose which Neighborhoods are to be the beneficiary of the investments in Community Outreach – to include product development, marketing. Sponsorship of Neighborhood Events, capitalized CRA Partnerships, capitalized Neighborhood Group Alliances and College Scholarships - and which Neighborhoods are to be denied these favored services. **Comerica Bank** has failed to make any Community Outreach investments in the black American Neighborhoods that have made any material difference in any of the lives of the protected class of black Americans in the black American Neighborhoods in the specified Zip Codes in Houston – in the same way that the Bank has made the Community Outreach investments in the Anglo Neighborhoods in Houston.

-does not get to pick and choose which Media outlets – newspapers, radio and TV – to make the investments in advertising and marketing – to include annual advertising contracts – and which Media outlets it gets to ignore – **Comerica Bank** has failed to make the Equal per capita investments in advertising to market the full range of all of the Banks' lending and credit products – to include “failing to market residential real estate loan products to African Americans...” US V Midland States Bancorp.

-does not get to pick and choose which Organizations and Non-Profit Corporations are to receive the Charitable Contributions that make a material difference in the lives of the residents – and which Organizations and Non-Profits are to be denied – Prosperity Bank is virtually invisible in the black American Neighborhoods.

AS stated earlier the legal standard in which to make the determinations to Downgrade the CRA Rating of **Comerica Bank** are whether the Bank is in **full compliance** with all of the components of the banking laws – in their **entirety** and in their full and final perfection – to include

-Community Reinvestment Act, Equal Credit Opportunity Act, Fair Housing Act – to include the Final Rule, Home Mortgage Disclosure Act, Fair Lending Laws, FTC Act _ Section 5, Regulation B/C

-whether **Comerica Bank** is in **full compliance** with all of the components of the controlling authority of the applicable Court cases –in their **entirety** to include

-US V Hudson City Savings Bank (ECOA, FHA) US V Chevy Chase FSB (ECOA FHA), US V Midland States Bancorp (ECOA FHA), US V Hudson City Savings Bank, US V 1st American Bank (CRA, ECOA) TDHCA V ICP, Inc. – US Supreme Court case that codified the FHA Final Rule – Bank liability can be brought for practices that result in the disparate impact on protected classes)

-whether P Bank is in **full compliance** with all of the components of the Department Rules (HUD) – the Fair Housing Act Final Rule – in its **entirety** and in its full and final perfection – it is this banking law that **Comerica Bank** has consistently ignored and has refused to abide by – the FHA Final Rule shifts the burden of proof and governs the

Banks' answer to the Complaint – and states clearly that pursuant to the challenges in the Complaint the Bank is

-to provide the legally sufficient justification to prove that the practices challenged in the Complaint are necessary to achieve one or more of the Banks legitimate substantial nondiscriminatory interests

-as the FHA Final Rule allows for no exceptions, waivers or conditions the Bank either meets its duties under the FHA Final Rule or the Bank does not – no “convoluted rationale” will suffice.

EXAMPLE –

The Illegal Discrimination Claim in the Complaint states that **Comerica Bank** is engaged in the practice of placing its Bank branches **outside** of the black American Neighborhoods which denies Equal access to banking services and “locating its branches and services in a manner that did not give equal access based on race and national origin” - US V Midland States Bancorp. This practice is in violation of the ECOA and of the FHA.

Comerica Banks' duties under the FHA Final Rule calls for more than a simple denial of the Claim

Where **Comerica Bank** fails to provide the legally sufficient justification to prove that this practice is necessary to achieve one or more of the Banks legitimate substantial nondiscriminatory interests – the **Illegal Discrimination Claim** stands.

The FHA Final Rule states that the legally sufficient justification must be supported by evidence and cannot be speculative or hypothetical – where **Comerica Bank** fails to provide the supporting evidence the Illegal Discrimination Claim stands.

Pursuant to its duties of faithful execution of sworn duties of supervision and faithful execution of enforcement of the banking laws in their entirety the **FRB** is obliged to certify the finding of liability and to impose the enforcement action to correct this violation of the banking laws and to make the black American Neighborhoods whole.

Since the Complaint is filed under the Fair Housing Act the enforcement actions are to be remedial and robust and to make for the full reclamation of rights – to place the protected class of black Americans in the position they would have been in if not for the illegal discrimination and denial of Equal rights under the Fair Housing Act and Equal Credit Opportunity Act.

Where the **FRB** CRA Examination does not find that **Comerica Bank** is in **full compliance** with all of the components of all of the banking laws in their entirety and in the laws full and final perfection the CRA Rating of **Comerica Bank** is to be downgraded to

Needs To Improve

The Renaissance Indexes Group petitions that

-the CRA Rating of **Comerica Bank** be downgraded to “Needs To Improve”

-that **Comerica Bank** be barred from submitting any Bank Applications – expansionary or otherwise to the **FRB** until such time the Bank is in full compliance with all of the banking laws in their entirety and in their full and final perfection.

-that minimum Fines of \$500 Million Dollars be imposed on **Comerica Bank**

-that Cease and Desist Orders be imposed on **Comerica Bank**

-that Removal Orders be imposed on the principals of **Comerica Bank** – as the Bank has flagrantly flouted the banking laws and has no intention of correcting, fixing and ending the continuing Bank practices that result in the disparate impact, disproportionate discriminate effect, illegal discrimination and redlining perpetrated against the individuals, households and businesses

-that the above enforcement actions be maintained against **Comerica Bank** until such time that **Comerica Bank** gets in full compliance with all of the banking laws in their entirety and in their full and final perfection -and takes concrete actions and makes the capital investments in the following banking categories presently “missing” inside the black American Neighborhoods in the specified Zip Codes in Houston

-the building and placement of Equal Bank branches per capita– brick and mortar free-standing edifices - inside of the black American Neighborhoods, Bank Financed Developments – stores, office towers, apartment complexes, restaurants, Community Development Loans – to stabilize and to revitalize the black American Neighborhoods – as Apprenticeship Facilities, Computer Learning Centers and Neighborhood Centers

-establishes a Capital Fund of a minimum \$500 Million Dollars for business lending, mortgages and home equity lending at subsidized rates, with heavy promotion and marketing and with all **Discretionary Accommodations** for approval – for the individuals, households and businesses inside of the black American Neighborhoods in the specified Zip Codes in Houston MSA

- establishes a Community Outreach fund of a minimum \$100 Million Dollars – to include product development, marketing, Sponsorship of Neighborhood Events, capitalized CRA Partnerships, capitalized Neighborhood Group Alliances, 100 College Scholarships

-establishes a minimum Charitable Contributions Fund of \$10 Million Dollars – to underwrite Capital Charity Galas and initiate Capital Campaigns for the black American Organizations and Non-Profit Corporations and to sponsor Neighborhood Events

AS **Comerica Bank** has been invisible in the black American Neighborhoods, has denied the black American Neighborhoods the rights of Bank branches and banking services has failed to promote, market and to make the Equal lending in the full range of the Banks’ lending and credit products and has engaged in Bank practices that are systemic, pervasive and continuing that are in violation of the banking laws , that are

inconsistent with the controlling authority of the Court case holdings , that violate the Civil Rights las – Title VIII -1968 Civil Rights Act ad deny the Constitutional rights Equal Protection pursuant to the 14th Amendment – United States Constitution.

AS the **FRB** has stated to the United States Senate and Congress that the Agency enforces the banking laws – to include the CRA, ECOA, HMDA and FHA – to include the Final Rule the Bank in this proceeding – **Comerica Bank** – is either in full compliance with all of the components of all of the banking laws in their entirety and in their full and final perfection or the Bank is not.

Pursuant to the law there are no exceptions, caveats or convoluted rationales as escape hatch for the allegations outlined in the Complaint.

Where **Comerica Bank** fails to meet all of the requirements that places the Bank in full compliance with all of the components of all of the banking laws, controlling authority of the Court case rulings, Department Rules, Civil Rights laws and the Equal Protection Clause -14th Amendment – United States Constitution – as outlined – in their entirety and in their full and final perfection -and cannot provide the supporting evidence to uphold the Banks position

-the Illegal Discrimination Claims stands

The **FRB** is then legally bound to certify the Illegal Discrimination Claims, to impose the robust and remedial enforcement actions and to downgrade **Comerica Banks'** CRA Rating to "Needs To Improve".

In The Relentless Pursuit of Justice,

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