

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

UNITED STATES OF AMERICA,
Plaintiff,

v.

Civil Action No. 1 92-CV-2198-CAM

DECATUR FEDERAL SAVINGS AND
LOAN ASSOCIATION,
Defendant.

CONSENT DECREE

The United States files this Consent Decree simultaneously with its Complaint against Defendant Decatur Federal Savings and Loan Association ("Decatur Federal" or "the lender") alleging violations of the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988), 42 U.S.C. §§ 3601-3619, and the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691-1691f. The Complaint alleges that Decatur Federal has engaged in policies and practices that discriminated against potential and actual mortgage loan applicants on the basis of race.

Decatur Federal categorically denies all of the allegations in the Complaint and is prepared to show that it has never discriminated on the basis of race and has had in place programs designed to serve all segments of the community, regardless of race.

More specifically, the United States alleges that Decatur Federal has for many years engaged in lending practices that discriminate on the basis of race by conducting its home mortgage loan marketing in a manner that excludes potential black borrowers; by originally defining its customer service area under the Community Reinvestment Act ("CRA") in 1979 so as to exclude most black residents of South Fulton County; by opening virtually all of its branch offices in neighborhoods that were predominantly white at the time and closing branches in neighborhoods that were or became predominantly black⁽¹⁾; by advertising primarily to potential white customers; by focusing its solicitation efforts in white neighborhoods; by avoiding origination of loan products with particular appeal to black borrowers, such as Federal Housing Administration ("FHA") and Veterans Administration ("VA") loans; and by employing few blacks in key mortgage loan origination positions such as account executive, staff appraiser, and underwriter.

The United States further alleges that Decatur Federal has discriminated against those blacks who did apply for home mortgage loans. It is alleged that in processing loan applications, the lender counseled white applicants about their deficiencies and reworked their applications in order to help them qualify under underwriting guidelines, but did not consistently supply comparable assistance to black applicants. It is also alleged that Decatur

Federal rejected qualified black applicants more often than qualified white applicants, even after controlling for all relevant underwriting variables, such as income, credit history, net worth, debt ratios, employment history, and education level.

The parties have agreed that, in order to avoid protracted and costly litigation, this controversy should be resolved voluntarily. To this end, as more specifically described below, Decatur Federal has agreed to continue and expand its affirmative marketing, advertising, and other mortgage lending outreach programs, to revise the delineation of its lending community under the Community Reinvestment Act, to establish and implement criteria to ensure against any discrimination in its branching activities, to ensure the fair and nondiscriminatory consideration of all mortgage loan applicants, and to continue to monitor its own performance to assure a mortgage lending program free of racial discrimination. The Consent Decree is not intended to, and does not, apply to any institution other than Decatur Federal except as provided in [paragraph 49](#), below.

The parties have also agreed that there should be no evidentiary hearing, trial or other adjudication on the merits, and that the entry of this Consent Decree is not and is not to be construed as an admission by Decatur Federal of the validity of any of the claims asserted in this action.

Now therefore, on the basis of the foregoing representations of the United States and Decatur Federal, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

I. GENERAL INJUNCTIVE PROVISION

1. Decatur Federal, its officials, employees, and agents, as well as successors, as provided in [paragraph 49](#), below, are enjoined from engaging in any act or practice that discriminates on the basis of race in the provision of home mortgages or other real estate-related credit transactions, or in the provision of services or facilities in connection with any such credit transactions; and from imposing on the basis of race different terms or conditions for the availability of home mortgage loans or other real estate-related credit transactions. Fair Housing Act, 42 U.S.C. §§ 3604 and 3605; Equal Credit Opportunity Act, 15 U.S.C. § 1691(a)(1).

II. SPECIFIC INJUNCTIVE PROVISIONS

A. Community Reinvestment Act Delineated Community

2. Decatur Federal will, within one year of the execution of this Consent Decree, expand its delineated community under the Community Reinvestment Act to include all of Fulton County. The lender's CRA map, as it will be revised, is set forth in Attachment 1 (hereinafter referred to as "delineated community").

2. Advertising

3. Decatur Federal will establish an advertising program, as described in this Section, designed to attract qualified applicants for home mortgage loans from all segments of its community, as defined pursuant to the Community Reinvestment Act and this Consent Decree. The advertising program will include special provisions to target residents of predominantly black neighborhoods.⁽²⁾

4. Decatur Federal will place a total of at least 960 column-inches of advertising per one-year period of the Consent Decree in the Atlanta Tribune, the Atlanta Inquirer, the Atlanta Daily World, the Atlanta Metro, or comparable black-oriented publications. The lender may vary the size and frequency of advertisements, and the choice of publications for its advertising campaigns, as long as the above overall average is met for each one-year period. These advertisements will be for home mortgage products, and will mention the availability of FHA and VA loans or other products that have comparable advantages.
5. Decatur Federal will create special point-of-sale materials (e.g., posters, brochures, etc.) to advertise products and services of interest to minority home buyers and place the materials in branch lobbies in predominantly black neighborhoods.
6. Decatur Federal will develop a brochure describing its Community Home Buyers Program, its Smart Start pre-qualifying program, its FHA and VA loan programs, and/or comparable programs. The lender will distribute the brochure through such channels as real estate professionals serving black residential areas, church and community groups, and retail outlets in black communities. The lender will distribute at least 2,500 of these brochures per year during the Consent Decree period, and will annually distribute copies of such brochures to each real estate agency that is a member of the Empire Real Estate Board or is known to serve black residential areas of the Atlanta metropolitan area.
7. All of Decatur Federal's advertising for home mortgage loan products will continue to contain an equal housing opportunity logotype, statement, or slogan as described in the Fair Housing Advertising regulations of the United States Department of Housing and Urban Development, 24 C.F.R. Part 109. The lender will continue to follow the guidance of Tables I and II of Appendix I to 24 C.F.R. Part 109 in selecting appropriate type size as well as a slogan, statement, logotype, and other standards for advertising.
8. Decatur Federal's advertising that uses human models in video, photographs, drawings, or other graphic techniques will reasonably represent black as well as white residents of the area which the lender serves. Models, if used, will portray persons in an equal social setting and indicate to the general public that the lender's products are available on a nondiscriminatory basis.
9. Decatur Federal will place a total of at least 360 thirty-second spots per one-year period of the Consent Decree on radio stations WALR, WVEE, WAOK, or comparable black-oriented stations. All of this advertising will be for home mortgage products and the lender's advertising program will include advertising of the availability of FHA and VA loans and/or comparable loan programs. The lender may vary the frequency of the spots and choice of stations for its advertising campaigns, as long as the above overall total is met for each one-year period.
10. In all television and radio advertisements and promotions for home mortgage loans, the statement "Equal Housing Lender" will continue to be audibly stated. In the alternative, if a television advertisement or promotion for home mortgage loans includes a written statement appearing on the screen, the nondiscrimination statement may so appear; the nondiscrimination statement must continue to meet the requirements set forth in Appendix I to 24 C.F.R. Part 109 and must appear on the screen as long as any other written statement appears.

11. Decatur Federal representatives will continue to use their best efforts to appear on talk radio and/or television programs aimed at predominantly black audiences at least twice per year during the Consent Decree period to discuss mortgage lending issues.

3. Mortgage Production

12. Decatur Federal will follow a home mortgage loan production program, as described in this Section, designed to increase its origination of home mortgage loans to black borrowers.
13. Decatur Federal will target real estate agents and builders active in neighborhoods in predominantly black census tracts within its delineated community for sales calls. The lender will conduct a study to determine what individuals are active in these neighborhoods by scanning real estate advertisements in black publications, driving through predominantly black residential areas, and seeking input from builders, developers and other real estate professionals, including representatives of the Empire Real Estate Board.
14. Decatur Federal's current commission pay structure is based on a percentage of the loan amount, so account executives earn larger commissions for originating home mortgage loans in higher dollar amounts. In order to provide account executives and/or mortgage originators with an increased incentive to originate more loans in predominantly black areas and low- and moderate-income census tracts, the lender will implement a special compensation structure for them. Specifically, Decatur Federal will implement a program including increased percentage commissions of 1% of the loan amount, flat-rate bonuses of \$100, and/or other comparable measures designed to operate as genuine incentives for account executives and/or mortgage originators to originate loans in the amount of \$50,000 or less. Every six months during the Consent Decree period, the lender will evaluate the effectiveness of the program to determine whether and how changes should be made.
15. Each Account Executive will continue to maintain a log of all sales calls identifying the name of the real estate agent or agency, builder, or other person or organization contacted for the purpose of home mortgage loan development, and whether the contact was for the purpose of soliciting loan applications in targeted black neighborhoods.
16. Decatur Federal will continue to reserve at least one position for an account executive who will be responsible for soliciting and originating home mortgage loans for Decatur Federal's special loan programs that are geared toward low- and moderate-income neighborhoods. The individual(s) will additionally develop an expertise in these special loan programs, target low- and moderate-income neighborhoods, prepare semi-annual reports on their activities, and serve as a resource to other account executives to encourage the use of Decatur Federal's special loan programs and the origination of more home mortgage loans to black borrowers. The special program account executive(s) and all other account executives will share responsibility for soliciting mortgage applications from the real estate agents and builders identified pursuant to [paragraph 13](#).
17. Decatur Federal will follow up by telephone or letter with all participants in its Community Home Buyers Program and credit seminars within 45 days after the participants' completion of the program to ascertain their interest in applying for home mortgage loans or other Decatur Federal credit products.
18. Decatur Federal will use its best efforts to establish correspondent relationships with

financial institutions in its delineated community primarily serving the black community that do not offer competitive long-term home mortgage financing, to expand its lending in black neighborhoods by underwriting applications prepared and submitted by these organizations.

19. Along with the above mortgage production steps, Decatur Federal will conduct additional ascertainment efforts to further understand the home mortgage credit needs of the black community. In this regard, the lender will enter into a contract with an established market research firm or financial institution to determine product needs and effective advertising strategies in black communities. Representatives of the lender will meet each year with members of at least three black community or civic groups to examine current Decatur Federal loan products, services, and advertising, and discuss ideas for improvements if improvements are necessary.

4. Delivery Network

20. Decatur Federal will develop its delivery network to attract more qualified applicants for home mortgages from predominantly black neighborhoods, as described in this Section.
21. Within one year from the execution of this Consent Decree, Decatur Federal will have a physical presence in South Fulton County from which it will market home mortgage loan products. This presence will be in the form of a regional loan office or branch where home mortgage loan applicants may apply for loans and submit all documents necessary for approval. This presence will remain in existence at least through the end of the Consent Decree period. Such regional loan office or branch shall be subject to the terms of this Decree.
22. Decatur Federal will follow an objective set of criteria to evaluate future branch openings, closings, and other significant changes in services, and these criteria will incorporate the lender's Community Reinvestment Act obligations. Decatur Federal will pay particular attention to how any proposed changes would affect the lender's ability to meet the credit needs of low- and moderate-income neighborhoods, especially neighborhoods in predominantly black census tracts. Decatur Federal will promptly provide to the United States a copy of any applications or notices to open any branches in its delineated community.
23. Decatur Federal will consider the following alternatives to the closing of a branch in a predominantly black area: maintaining the branch under current conditions; implementing a plan to improve performance through personnel changes, increased marketing efforts, or increased community outreach; reducing the hours of operation of the branch; reducing operating expenses by subleasing space, reducing staffing levels, or other methods; and reducing the services offered by the branch. A branch will not be closed if any of these options could be used effectively. Before making any significant changes in the operation of a branch in a predominantly black area, Decatur Federal representatives will meet with leaders of black community and civic organizations to advise them of the proposal, assess its impact on the black community, and discuss alternatives. The provisions of this paragraph will not apply if as a result of a merger or acquisition it is necessary to close branches to avoid duplication of services.

5. Non-discriminatory Treatment of Home Mortgage Loan Applicants

24. Decatur Federal, as further described in this Section, will solicit information necessary to allow for fair evaluation of applications and will assess completed applications from black customers in the same manner and under the same underwriting criteria that it applies to white customers. Nothing in this or any other section of this Consent Decree shall be construed to require Decatur Federal to engage in unsafe or unsound lending practices.
25. Decatur Federal's general home mortgage loan underwriting standards are set forth in Attachment 2. Those standards are based on and incorporate the requirements of the secondary market underwriting guidelines such as the Federal National Mortgage Association's (Fannie Mae) Selling Guide and the January 27, 1992, Bulletin from the Federal Home Loan Mortgage Corporation (Freddie Mac) describing home mortgage eligibility, appraisal, and underwriting requirements. The parties recognize that the attached Decatur Federal underwriting standards do not purport to identify all of the relevant underwriting criteria and compensating factors that may bear upon the lender's assessment of individual mortgage loan applications, as those are too numerous to incorporate into one document. The parties also recognize that Decatur Federal's underwriting standards incorporate a degree of flexibility and individual assessment of risk based on the unique characteristics of individual mortgage applicants, and that this flexibility is especially important to meet the policy objectives of the Community Reinvestment Act.
26. Decatur Federal will require that loan processors and underwriters complete an Application Checklist, Attachment 3, for each applicant, in order to ensure that they solicit information necessary to allow for the fair evaluation of applications consistent with the lender's underwriting standards.
27. Decatur Federal will appoint at least one Review Underwriter who is a supervisor (i.e., underwriting manager or above) or an individual who is a part of a separate reviewing underwriting office with detailed knowledge of the flexibility of the underwriting standards and the various alternative means by which applicants may demonstrate their ability and willingness to repay home mortgage loans. The Review Underwriter(s) will review the loan processing and underwriting for each initially rejected application. The Review Underwriter (s) will certify by signature that the instructions contained in paragraphs 39-41 have been followed and that he/she concurs with or has elected to change (for reasons noted) the initial decision.
28. Decatur Federal will appoint at least one Review Appraiser with experience in appraising properties in black neighborhoods. The Review Appraiser(s) will review all appraisals made on properties located in predominantly black census tracts where the appraised value of the property is the deciding factor for not granting the loan on the terms requested by the borrower. The Review Appraiser(s) will form an opinion as to the adequacy and appropriateness of the appraiser's report and conclusions and, if appropriate, will express a different estimate of value, which will be used as the basis for the underwriting decision. The provisions of this paragraph are subject to compliance with applicable regulatory provisions and the Uniform Standards of Professional Appraisal Practice.
29. Decatur Federal will amend the standard adverse action notice to include a reviewer's name and phone number and to encourage the applicant to call the reviewer if the applicant has any questions or believes that Decatur Federal did not possess information that would affect the basis for the action taken. In addition, Decatur Federal will amend the adverse action notice (in cases where the denial is based on credit problems) to encourage the applicant to call if the applicant believes that the credit reporting agency is in error or if the applicant

wishes to further explain his/her credit history.

6. Special Programs and Other Remedial Measures

30. Decatur Federal has adopted and implemented a number of special programs and other measures to serve low- and moderate-income and black home buyers, as further described in this Section. Decatur Federal will continue to participate in these programs as they remain available, as described in the following paragraph and in Attachment 4, or in similar programs, and will add new programs or alter or modify existing programs when necessary to serve effectively the credit needs of low- and moderate-income residents in its CRA delineated community.
31. Decatur Federal continues to participate in the Mortgage Bankers Association Lend-A-Hand Program by committing dollars and human resources. This program involves the renovation and refurbishment of homes for low-income owners who would otherwise be unable to upgrade their homes. Decatur Federal's Community Home Buyers Program teaches participants about such topics as managing credit, controlling the household budget, and applying for a home mortgage loan. The lender will use its best efforts to present this Program at least twenty times per year. Upon successful completion of this Program, participants are eligible to receive mortgage loan consideration under more relaxed underwriting standards. The lender conducts regular credit seminars on topics of interest to low-income and black borrowers and funds below-market-rate loans in low-income and minority areas through such programs as the Atlanta Mortgage Consortium and the Federal Home Loan Bank of Atlanta's Affordable Housing and Community Investment Fund Programs. It additionally participates in the Urban Residential Finance Authority program, the Georgia Housing Finance Authority program, the DeKalb Housing Authority Bond program, and the Department of Housing and Urban Development Section 8 Rehabilitation program. Decatur Federal is and has been heavily involved in acquisition and development, construction and commercial lending in low- and moderate-income and in black communities. This lending activity represents a major investment in the development and redevelopment of these communities. Decatur Federal is one of several lenders that have pooled resources to provide the financing for a single-room occupancy facility in the City of Atlanta. Decatur Federal has been active with the DeKalb Community Housing Resource Board, a HUD-sponsored volunteer organization comprised of representatives from business, government agencies, non-profit organizations, and colleges and universities. The purpose is to monitor area Boards of Realtors to determine adherence to the Voluntary Affirmative Marketing Agreement and other fair housing-related guidelines.

7. Recruitment

32. Decatur Federal will advertise home mortgage lending job openings on an ongoing basis during the Consent Decree period in a manner that will reach potential black applicants, as further described in this Section, with special emphasis on the following home mortgage lending positions: Account Executive, Underwriter, Loan Counselor, Loan Processor, Staff Appraiser, Assistant Branch Manager, and Branch Manager.
33. Within 45 days after the effective date of this Consent Decree, Decatur Federal will write to the Atlanta office or representative of the National Society of Real Estate Appraisers ("NSREA") to invite their members to apply for inclusion on Decatur Federal's list of approved metro independent fee appraisers. This letter will describe Decatur Federal's current policies and procedures regarding this application process. Any applications

received will be processed in accordance with current Decatur Federal policies and procedures regarding the approval of independent fee appraisers. Decatur Federal will additionally notify the NSREA whenever vacancies available to persons outside of the institution occur in the staff appraiser position or whenever there is a need to expand the list of approved metro independent fee appraisers.

34. In fulfilling its obligations under this Section, Decatur Federal will advertise home mortgage lending job openings available to persons outside the institution in black-oriented publications such as the Atlanta Daily World, the Atlanta Tribune, the Atlanta Metro Magazine, and the Atlanta Inquirer. The lender will notify predominantly black organizations of openings, such as Fulton Atlanta Community Action, the N.A.A.C.P., the Atlanta Urban League, Inc., the Empire Real Estate Board, DeKalb Economic Opportunity, the Urban Bankers Association, the National Association of Black Real Estate Professionals, and the National Society of Real Estate Appraisers. The lender will solicit referrals from existing black employees, the State of Georgia Minority Business Section, and the Atlanta University School of Real Estate. The lender will work with historically black colleges, including Spelman College, Morris Brown College, Clark College, and Morehouse College, to develop and recruit qualified black applicants.

8. Compliance

35. Decatur Federal will maintain Compliance Employees who will monitor the lender's compliance with the Community Reinvestment Act, the Fair Housing Act, the Equal Credit Opportunity Act, and this Consent Decree, as further described in this Section. The Compliance Employees will conduct regular reviews of processing and disposition of mortgage loan applications and the lender's compliance with the specific injunctive provisions of this Consent Decree. The Compliance Employees will review information on denied, approved, and withdrawn loan applications as reflected on its loan tracking system to ensure compliance with this Consent Decree. The Compliance Employees will report any deficiencies to Decatur Federal management and present proposals to correct them.
36. Decatur Federal will enter into a contract(s) with a qualified organization(s) or person(s) to develop and implement a program to test for racial discrimination in Decatur Federal's home mortgage lending. The tester must first submit a proposal to Decatur Federal outlining the methodology and approach to be used. Once the proposal is finalized, Decatur Federal will submit the proposal to the United States for approval, and the approval may not be unreasonably withheld. Decatur Federal will review the testing results with the relevant individual employees and will use the results to determine how to address any concerns with individual employees and whether changes in training are necessary. The United States may conduct independent testing.

9. Training

37. Decatur Federal will provide training to all of its staff with significant involvement in home mortgage lending to ensure their activities are conducted in a nondiscriminatory manner, as further described in this Section.
38. Decatur Federal will provide training to its account executives and other loan origination staff on its affirmative marketing programs, including targeted sales calls, and will monitor their activities.

39. Decatur Federal will instruct all its loan processors (employees whose responsibility it is to gather information for an application prior to its submission for an underwriting decision) and loan underwriters that they are required to use their best efforts to obtain and document all relevant information necessary to reach an underwriting decision, and that they will document those efforts in writing in the file on the Application Checksheet, Attachment 3. This instruction will include training sessions regarding the proper completion of each section of Attachment 3 with special emphasis on items 1-8 of the Checksheet.
40. Decatur Federal will instruct all its loan processors and underwriters on the requirements of the secondary market underwriting guidelines with respect to the kinds of information that must be gathered and filed for each applicant and the alternatives and compensating factors allowed by those guidelines.
41. Decatur Federal will instruct its loan processors and underwriters on the provisions of the secondary market guidelines with respect to the various alternative and flexible means described therein by which applicants may demonstrate their ability and willingness to repay their loans.
42. Within 45 days after the entry of this Consent Decree, Decatur Federal will conduct comprehensive training sessions on the applicable provisions of this Consent Decree for every Account Executive, Underwriter, Loan Counselor, Staff Appraiser, Loan Processor, Assistant Branch Manager, and Branch Manager. The lender may conduct specific training sessions for specific groups.
43. Decatur Federal will continue to conduct regular compliance training of its staff with significant involvement in home mortgage lending on the Community Reinvestment Act, the Fair Housing Act, the Equal Credit Opportunity Act, and this Consent Decree. This training will continue to include scheduled training sessions, staff meetings, compliance newsletters, videotapes, regulatory updates, and/or comparable methods. The lender will incorporate cultural diversity and sensitivity training into its training programs given to all managers and customer-contact employees. The lender may contract with outside consultants to provide any of this training.

III. RECORD-KEEPING AND REPORTING REQUIREMENTS

44. During the period of this Consent Decree, Decatur Federal will retain all loan application files submitted for home mortgage loans and all documents and notices relevant to any underwriting decisions, including the Application Checksheets. The lender will also retain all records relating to its obligations under this Consent Decree, including its advertising, mortgage production, branching, special programs, recruitment, and compliance activities.
45. The parties anticipate that as a result of the affirmative marketing procedures set forth in this Consent Decree, the volume of black applicants for home mortgage loans may increase significantly. While this Consent Decree is in effect, if black applicants for home mortgage loans are rejected at significantly higher rates than white applicants, that fact, standing alone, will not be viewed as establishing a violation of this Consent Decree. However, to fairly monitor Decatur Federal's processing and evaluation of home mortgage loan applicants under this Consent Decree, the United States may, from time to time, seek and be provided access to individual home mortgage loan

application files, provided such request is reasonable and is upon reasonable notice and in writing to Decatur Federal. The United States will keep all records and information relating to loan applicants confidential to protect the applicants' privacy rights. If the United States identifies any concerns with respect to Decatur Federal's compliance with this Consent Decree in its treatment of home mortgage loan applicants, it will promptly notify Decatur Federal of its concerns and seek to resolve them.

46. Decatur Federal will report its progress under this Consent Decree to the Civil Rights Division of the United States Department of Justice on a semi-annual basis for a period of three years. All reports will be submitted to the United States within 30 days after the close of the semi-annual time period and will include the following information:
 - a. A report in machine-readable form from its automated loan tracking system for all home mortgage loan applicants. This loan tracking information, though not necessarily final or verified, will include the following:
 - i. Applicant's application number and date application was received.
 2. Type, purpose, and amount of the loan or application.
 3. Owner-occupancy status of the property to which the loan relates.
 4. The type of action taken on the application and the date.
 5. The location of the property to which the loan relates, by state, county, census tract, and Metropolitan Statistical Area.
 6. Race or national origin, and sex of the applicant(s) or borrower(s).
 7. Income relied upon in making the loan decision.
 8. Reason for denial of a loan application (if applicable).
 2. A report on all advertising conducted pursuant to this Consent Decree, including the media names, types, and frequencies. The report will include representative copies of all advertising.
 3. A report on all Mortgage Production efforts conducted pursuant to this Consent Decree. The report will discuss the targeting of black neighborhoods program as set forth in [paragraph 13](#), and include a list of the individuals determined to be active in those neighborhoods. It will include the Account Executives' sales call logs and the reports from the Account Executives who specialize in originating loans in low- and moderate-income areas detailing their activities. It will analyze the effectiveness of the incentives program in increasing mortgage production in predominantly black areas. It will discuss the correspondent relationships program. It will detail all ascertainment efforts, including the dates, descriptions, and results of all market research; and the dates, groups contacted, and matters discussed in all community outreach meetings.

4. A report on Decatur Federal's branching activity in its delineated community, including detailed explanations of all branch openings, significant service changes, or closings. This report will analyze the effect of all changes on the lender's obligation under the Community Reinvestment Act to meet the credit needs of low- and moderate-income neighborhoods in its service area. The report will detail alternatives considered and/or instituted to avoid closing a branch and the results of any meetings conducted with community organizations regarding the branch.
 5. A report of the activities of the Compliance Employees. This report will include a description of all compliance training, the dates held, instructors, content, audience, and the number of individuals who attended. The lender will also preserve the results of the tests described in [paragraph 36](#), above, and report to the United States a summary of the test results and any sanctions or disciplinary actions taken in connection with the test findings.
47. Copies of all notices, correspondence, reports, or documents required to be provided by one part to the other under this Consent Decree will be mailed to the following addresses:

Chief, Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice
P.O. Box 65998
Washington, DC 20035

Decatur Federal Savings and Loan Association
Risk Management Division/Compliance Department
250 East Ponce de Leon Avenue
Decatur, GA 30030

IV. RELIEF

48. Decatur Federal will place One Million Dollars (\$1,000,000.00) in a Decatur Federal Consent Decree Fund to be administered by the United States and distributed to persons whom the United States has identified to Decatur Federal as being allegedly aggrieved persons under the Fair Housing Act and Equal Credit Opportunity Act, all of whom the United States certifies have signed General Releases. The United States has examined the records of Decatur Federal and has informed the lender of the names of all the persons it believes are aggrieved persons as alleged in the Complaint. Funds will be made available to those persons in exchange for signing General Releases. Any balance remaining in the Fund six months after the execution of this Decree shall be returned to Decatur Federal to be used towards paying for compliance with the Consent Decree.

V. SUCCESSOR IN INTEREST

49. The terms of this Consent Decree will bind any successor in interest to Decatur Federal as to employees, branches, and offices now under the control of Decatur Federal, branches subsequently acquired by Decatur Federal, and any branches

located in Fulton County and DeKalb County into which Decatur Federal branches are consolidated. The Consent Decree will not apply to any other successor branches or offices, but Part II will apply to any centrally administered functions of the mortgage underwriting and production activities of those other successor branches or offices located in Dekalb and Fulton Counties. It is assumed by the parties that any successor in interest will voluntarily implement the provisions of Part II of this Consent Decree in all successor-in-interest branches located in Dekalb and Fulton Counties, but if any such successor in interest declines to voluntarily implement Part II in all such branches and offices, it shall present to the United States its proposed plan of operation. If the United States concludes that the proposed plan of operation will hinder the attainment of the goals of this Consent Decree it shall present such concerns to the successor in interest and attempt to resolve the differences voluntarily. Any differences that cannot be resolved by the parties may be presented to the court for resolution. No successor is or has been subject to this proceeding, nor has any successor been implicated in this proceeding.

VI. MODIFICATION

50. This Consent Decree may be modified by written agreement of the parties.

VII. RETENTION OF JURISDICTION

51. For the three-year period in which this Consent Decree is in effect, this Court will retain jurisdiction for purposes of enforcing this Consent Decree. The parties to the Decree will endeavor in good faith to resolve informally any differences regarding interpretation and compliance with this Consent Decree prior to bringing such matters to the Court for resolution. At any time after three years from the date of the Court's entry of this Consent Decree, Decatur Federal may move for dismissal of the case. Dismissal shall be granted unless, no later than 30 days after receipt of Decatur Federal's motion, the United States objects with particularity to the dismissal. If such objection is made, the Court shall hold a hearing on the dismissal motion, and the United States shall have the burden of demonstrating why this Consent Decree should not be terminated. If the United States fails to meet its burden, this Consent Decree shall terminate forthwith and the case shall be dismissed with prejudice.

VII. COSTS

52. Each party to this litigation will bear its own costs.

It is so ORDERED, ADJUDGED, and DECREED this _____ day of _____, 1992.

UNITED STATES DISTRICT JUDGE

The undersigned apply for consent to the entry of this Order:

For the United States:

WILLIAM P. BARR
ATTORNEY GENERAL

JOHN R. DUNNE
ASSISTANT ATTORNEY GENERAL

PAUL F. HANCOCK
Chief, Housing and Civil Enforcement Section

RICHARD J. RITTER
HOWARD R. GRIFFIN
JEFFREY M. SENGER
Attorneys, Housing and Civil Enforcement Section
Civil Rights Division
U.S. Department of Justice
P.O. Box 65998
Washington, D.C. 20035-5998
(202) 514-4713

JOE D. WHITLEY
UNITED STATES ATTORNEY

CURTIS E. ANDERSON
ASSISTANT U.S. ATTORNEY
Chief, Civil Division
1800 U.S. Courthouse
75 Spring Street, S.W.
Atlanta, Georgia 30335
(Georgia Bar No. 016650)
(404) 331-6551

For Decatur Federal Savings and Loan Association:

KENT B. ALEXANDER
KING & SPALDING
191 Peachtree Street
Atlanta, Georgia 30303-1763
(Georgia Bar No. 008893)
(404) 572-3430
Attorneys for Decatur Federal Savings and Loan Association

1. The United States recognizes that Decatur Federal has this year opened its Redan branch, in a location that is surrounded by 55% - 84% black census tracts. The lender operates two other branches that serve predominantly black areas.

2. For purposes of this Consent Decree, "home mortgage loans" means one-to-four family dwelling loans and applications originated by Decatur Federal that are required to be reported under 12 C.F.R. Part 203, and "predominantly black" refers to census tracts where black residents constitute 50% or more of the total population based on the 1990 Census.