



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

October 28, 2008

Honorable Steven C. LaTourette
United States House of Representatives
Washington, D.C. 20515

Dear Congressman LaTourette:

I am writing to respond to allegations in your October 27 letter to Treasury Secretary Paulson regarding my role in the proposed acquisition of National City Corporation by PNC Financial Services Group. Your letter suggests that decisions regarding that acquisition and access to capital under the Troubled Asset Relief Program or TARP administered by the Treasury Department were influenced by PNC having been a client while I was in private law practice, before I took office as Comptroller of the Currency.

This suggestion is absolutely baseless, and I am astonished that you would make such sweeping allegations without checking the facts. In my years in private law practice, I represented many banks, including both National City and PNC, although PNC was not a client of mine "just before" I became Comptroller. Since becoming Comptroller, I have scrupulously followed all ethics rules regarding those relationships. Any actions that I have taken in my current position have been intended to serve the best interests of the national banking system that my agency supervises, and of which both National City and PNC are part, as well as the broader U.S. financial system. Past client associations have had no effect whatsoever on my activities in this or any other matter.

With respect to this particular transaction, I would underscore two points. First, in terms of eligibility for capital investments under the TARP program, the Department of Treasury establishes the criteria and makes final decisions about which institutions receive capital. Second, the OCC's communications with the banks involved in this matter relayed our best supervisory judgments, based on confidential supervisory information available to us. These communications themselves were also confidential, fully in keeping with regulatory requirements and the OCC's supervisory relationship with national banks.

Sincerely,

John C. Dugan
Comptroller of the Currency