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**Dominick Mazzagetti**

President

301 Sullivan Way  
West Trenton, NJ 08628  
877-658-2285, Ext. 3700  
Fax 609-538-8728  
dmazzagetti@NJM.com

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Manager, Dissemination Branch  
Office of Thrift Supervision  
Information Management & Services Division  
1700 G Street, N.W.  
Attention: Docket No. 2000-91  
Washington, D.C. 20552

Re: *Savings and Loan Holding Companies Notice of Significant Transactions  
or Activities and OTS Review of Capital Adequacy, 65 Fed. Reg. 64392  
(October 27, 2000)*

Dear Sir or Madam:

Your office has asked for comment on the proposed regulations issued by the Office of Thrift Supervision (OTS) regarding "Notice of Significant Transactions or Activities" of savings and loan holding companies. Please accept this letter as a response.

NJM Bank is a recently chartered savings bank, wholly owned by New Jersey Manufacturers Insurance Company (NJMIC). We believe that this structure provides a flexible and workable model for the consolidation of financial services companies and will serve us well into the future. As we read the proposed regulations, NJMIC would not immediately be impacted based on one of the several exemptions provided. We are concerned, however, that the proposed regulations may significantly impact our future operations in a way not anticipated when our charter was requested.

Without question, the OTS must maintain an overriding concern with the safety and soundness of individual thrift institutions. Strong capital, good underwriting and effective internal procedures must be maintained by every institution and should be subject to your review and examination. The regulations presently in place for the examination and review of insured institutions provides your office wide authority. A holding company should be a "source of strength" for its thrift institution. Transactions between the thrift and its parent or between the thrift and its affiliates are already subject to regulatory review and restrictions. These regulations can and should be used to address the concerns and prevent the abuses raised by the OTS in issuing the proposed regulations.

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It would appear extraordinarily difficult for a single agency, such as the OTS, to have the ability to understand and regulate the many different and complex corporate structures that now exist or could exist for holding companies of a thrift. To attempt this through a regulation aimed at the holding companies will create a burdensome regulatory environment without any regulatory enhancement.

We believe that the OTS should focus its attention on the capital of the insured institution, transactions between the thrift, its parent and its affiliates, and the underlying safety and soundness of the thrift institution. In such a regulatory scheme, the OTS can achieve its goals by concentrating its efforts in those areas of its expertise. Such regulations already exist.

For the foregoing reasons, we respectfully urge you to withdraw the proposed regulation regarding savings and loan holding companies.

Yours truly,



Dominick A. Mazza