



December 6, 2000

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Manager, Dissemination Branch
Information Management and Services Division
Office of Thrift Supervision
1700 G Street, NW.
Washington, D.C. 20552

RE: Comments on Proposed Rule requiring certain holding companies to notify OTS before engaging in or committing to transactions that significantly increase debt or substantially reduce capital.

Ladies / Gentlemen:

We offer the following comments regarding the proposed rule mentioned above published in the October 27, 2000 edition of the Federal Register:

We find the overall concept behind the proposed rule to be contradictory. That is, the OTS is attempting to codify subjectivity in their review of transactions by holding companies. Historically, codified rules are not subjective, but rather are objective in nature. With words such as "significant", "certain" and "limited" incorporated into the language of the proposed rule, it is doubtful that a truly objective standard can be realized with fair application to all thrift holding companies.

It is mentioned that the Federal Reserve Board (FRB) does not have a similar review procedure as the one proposed by the OTS. The FRB does require bank holding companies to comply with detailed and static capital adequacy requirements which generally makes a similar review process unnecessary. We are of the opinion that this approach would be more practical from the standpoint of both planning and cost savings. A thrift holding company, contemplating plans for the future, would know whether or not a particular activity or transaction was permissible, thereby avoiding the expenditure of much time and effort in the preparation and submission of a detailed notification.

Thank you for your time and consideration, I remain

Sincerely,

Glenn R. Bartels
Controller

a Savings and Loan Holding Company

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