



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

February 2000

To: Chief Executive Officers of National Banks and All Examining Personnel

The enclosed booklet, "Litigation and Other Legal Matters," is part of an ongoing update and revision of the *Comptroller's Handbook for National Bank Examiners*. This booklet replaces section 409 of that publication.

This booklet identifies the risks posed to banks by various legal matters, provides in-depth discussion of audit and insurance coverage, and specifies how examiners should evaluate litigation risk management. It also describes litigation risks faced by banks and provides guidance on how to properly monitor, assess, and respond to the risks associated with litigation and other legal matters.

This litigation booklet does not impose any new requirements on banks. It guides bank management in developing policies to help ensure that directors and management remain fully informed of potential litigation and other legal issues, and it helps them monitor and control these risks. The booklet also guides examiners in how to treat privileged materials prepared or held by bank counsel.

Any questions regarding this booklet should be directed to Barbara Washington, Policy Analyst in Core Policy Development at (202) 874-5190.

To order more copies of this booklet, please send your request and \$15 for each booklet to the Office of the Comptroller of the Currency, P.O. Box 70004, Chicago, IL 60673-0004.