



NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

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OCC Responds to Chairman Leach's Questions About Bank Holdings of Securities for Hedge Purposes

WASHINGTON -- Comptroller of the Currency John D. Hawke, Jr. sent the attached letter to House Banking Committee Chairman James A. Leach responding to questions about an OCC determination concerning bank holdings of securities for the purpose of hedging customer-driven, bank permissible equity derivative transactions. The letter notes that that these carefully limited transactions have no implications at all for bank involvement in merchant banking or for breaching the wall between banking and commerce.

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The OCC charters, regulates and examines approximately 2,400 national banks and 58 federal branches of foreign banks in the U.S., accounting for more than 57 percent of the nation's banking assets. Its mission is to ensure a safe and sound and competitive national banking system that supports the citizens, communities and economy of the United States.

