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National Banknet **An Exclusive Web Service for National Banks**

National Banknet is an exclusive Web service for national banks operated by the Office of the Comptroller of the Currency. It goes beyond standard Internet services. The OCC site enhances the private exchange of information between the agency and the banks it charters and provides products to assist these banks.

“National Banknet is beginning to revolutionize the way in which we communicate with national banks,” said Comptroller of the Currency John D. Hawke, Jr. “Instead of relying upon paper documents and the postal service -- or even Internet e-mail -- we are opening the door with National Banknet to real-time communication with our banks.”

“National Banknet is the beginning of a new era in the way the federal government communicates with its constituents,” the Comptroller added. To date, 1,250 national banks have subscribed to National Banknet.

National Banknet was launched in November 1999 with the OCC’s popular Comparative Analysis Reporting (CAR) system, which provides customized peer analyses for national banks. Since then, a variety of services have been made available on National Banknet, and more are on the way. The Web site, offered at no cost, provides national banks with accurate and timely data on a secure platform that ensures both information security and data integrity.

National Banknet services will be delivered in four categories:

Bank Analysis Tools

A variety of user-friendly financial models will be available to help national banks function more effectively in today’s highly competitive financial services environment. These models typically offer an efficient and cost-free way for national bankers to analyze their institution’s performance from a competitive, profitability, risk, and regulatory perspective.

- Comparative Analysis Reporting (CAR) -- The first application available on the service, CAR allows national banks to compare themselves to other commercial banks -- from local competitors to institutions across the country -- on more than 200 key financial criteria. The

criteria are grouped into categories of earnings and profitability, yields, balance sheet, credit, capital, and liquidity. More than 8,700 financial institutions are included in the CAR database. A bank can compare itself with up to six other banks at a time, or look at its own historical performance. Information is retrievable with a few clicks of a mouse button. Bankers who have used the system describe it as very user-friendly and a valuable decision-making tool.

- Project Canary -- This is an innovative early-warning system designed to help let bank decision-makers know their risk profile so that they can focus their attention on and manage their highest risks. Composed of 15 benchmarks that are leading indicators of potential trouble spots, this tool is currently being used by OCC bank examiners and is scheduled to be installed on Banknet in the near future. The benchmarks, developed by the agency's most experienced examiners, relate to credit risk, liquidity risk and interest rate risk.

Bank Resources

A range of up-to-date information that can help bankers more efficiently manage their institutions will be provided on National Banknet. Offerings include:

- "Best Practices" -- The OCC has gleaned the "best practices" on a range of bank activities. These best practices are based on the agency's national perspective from the 2,300 national banks that it supervises. This information may provide banks with useful and constructive information in developing effective business approaches.
- Economic and Risk Analysis -- The OCC's National Risk Committee and Economics Department produce a range of data and analysis. National Banknet will allow the agency to provide the benefits of its research to national banks in a timely and useful fashion.
- Bank Products and Services -- National banks can efficiently access lists and descriptions of activities permissible for national banks and their subsidiaries in specific areas, such as electronic banking.
- Regulations and Supervision -- A variety of timely supervisory and regulatory documents and information on laws, regulations, and policies and their impact on national banks will be made available through this system.
- E-Files -- Examination handbooks, alerts, advisory letters, bulletins and other official publications produced by the OCC will be available directly through National Banknet and updated regularly.
- OCC Training -- Announcements of OCC training available to bankers will be announced on this site. In the future, the agency expects to offer Web-based courses through this service.

Applications and Reports

National Banknet will be used to streamline and reduce the burden entailed in application and reporting requirements. Efficient and secure systems will allow the OCC to reduce paperwork.

- Electronic Corporate Application Process -- This process, which will be piloted this month and phased in next year, will provide for the electronic filing of corporate applications, beginning with bank applications, and is expected to expedite the application and decision-making process.
- Customer Assistance Reporting -- The OCC's Customer Assistance Group will make consumer complaint information and statistics about each national bank available directly to that bank in a timely fashion and will allow the bank to report on information to the OCC directly through this system.

Communications Center

The Communications Center is a user-friendly mechanism that can be used by national banks to send and receive secure messages to and from the agency and further expand the OCC's range of communications with nationally chartered banks.

- Message Center -- Real-time messages and responses can be communicated.
- Calendar of Events -- A listing of OCC events of interest to bankers.
- Audio/Video Center -- The OCC would be able to provide live video broadcasts of seminars, Comptroller speeches, media briefings and other on-line presentations.

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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.