

Press Releases

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OTS 01-15 - OTS Supports Oxley Information Sharing Initiative Targeted at Financial Services Industry Wrongdoers

Office of Thrift Supervision

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OTS Supports Oxley Information Sharing Initiative Targeted at Financial Services Industry Wrongdoers

WASHINGTON -- The Office of Thrift Supervision today supported Financial Services Committee Chairman Michael Oxley's (R-Ohio) initiative to have the major financial services regulators share information about people and entities in the financial services industry that have committed crimes or engaged in other pertinent wrongdoing.

In testimony today, Scott Albinson, OTS's Managing Director of Supervision, said that his agency already has information-sharing agreements with 41 state insurance commissioners and the National Association of Securities Dealers. OTS also participates with the other federal banking agencies in a centralized database concerning individuals involved in suspected bank fraud, money laundering or theft.

Mr. Albinson supported an enhanced sharing of information among financial services regulators. He said "We welcome well-founded information from other regulators about wrongdoers and we stand ready to explore sharing such information, provided that appropriate safeguards are established and maintained to protect privacy rights and the confidentiality inherent in law enforcement investigations."

Mr. Albinson outlined an OTS proposal to facilitate information-sharing arrangements among regulatory agencies by creating a software linkage of the public enforcement databases of the five federal banking regulatory agencies, the Securities and Exchange Commission, the Commodity Futures Trading Commission and the state insurance regulators.

OTS also suggested legislation to create a streamlined, after-the-fact, notice of new directors and senior officers of depository institutions so that bank regulators could take immediate action if such persons had been involved in past wrongdoing.

Mr. Albinson announced that OTS would soon publish a final rule that establishes a pre-approved optional bylaw for thrifts that wish to provide standards for the integrity of the members of their board of directors. The bylaw would prevent persons from serving as directors if they were under indictment for, or had been convicted of, certain crimes, or if they

were found to have breached a fiduciary duty for personal gain or were subject to certain cease and desist orders.

Testimony - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-15a.pdf>

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.