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CONFERENCE OF STATE BANK SUPERVISORS
DISSEMINATION BRANCH
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November 9, 2000

Manager
Dissemination Branch
Information Management &
Services Division
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Re: Mutual Institution Interim and Proposed Rules (65 FR 43087)

Dear Sir or Madame:

The Conference of State Bank Supervisors (CSBS) is pleased to have the opportunity to comment on the interim¹ and proposed² mutual institution regulations issued by the Office of Thrift Supervision (OTS). CSBS is the national organization of state officials responsible for chartering, regulating and supervising the nation's 6,868 state-chartered commercial and savings banks and 419 state-licensed branches and agencies of foreign banks.

We commend the OTS for its efforts to implement the proposed comprehensive regulatory strategy for mutual institutions, particularly with respect to thrift institution conversions to stock form, and the mutual holding company structure. The interim and proposed changes to the OTS's regulations will indeed serve to clarify what can be a complex process by codifying certain policy requirements that previously had been implemented on a case-by-case basis. This will provide

¹ 65 Fed. Reg. 43088, (Jul. 12, 2000).

² *Id.* at 43092.

Mutual Institution Interim and Proposed Rules

October, 10, 2000

Page 2 of 2

important guidance to institutions that choose to make use of the conversion process.

Many of the conversion requirements that are the subject of this rulemaking have been in effect at the state level for many years and have successfully been employed by state-chartered mutuals during their transformation into stock form entities. These provisions have worked well by enabling thrifts to access the capital markets, while providing protections to their depositors, stockholders and employees.

Thank you for this opportunity to comment and please feel free to call on us if we can provide information regarding examples of successful approaches in effect at the state level.

Best Personal Regards,



Neil Milner, CAE
President & CEO