

Press Releases

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OTS 02-46 - OTS Revises Regulations Governing Affiliate Transactions

Office of Thrift Supervision

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For further information

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OTS REVISES REGULATIONS GOVERNING AFFILIATE TRANSACTIONS

WASHINGTON – The Office of Thrift Supervision (OTS) announced today that it is revising its regulations governing transactions between thrifts and their affiliates.

The Home Owners' Loan Act (HOLA) requires OTS rules to be consistent with Federal Reserve Board rules. Regulation W, issued December 12 by the Federal Reserve Board, is a new comprehensive rule that implements restrictions on affiliate transactions contained in sections 23A and 23B of the Federal Reserve Act, including revisions mandated by the Gramm-Leach-Bliley Act.

Under HOLA, thrifts are subject to the provisions of sections 23A and 23B "in the same manner and to the same extent" as Federal Reserve member banks. The interim final rule issued by OTS today incorporates applicable provisions of the new Regulation W into OTS regulations in accordance with HOLA. The rule also provides guidance on additional restrictions on affiliate transactions applicable to thrifts.

The OTS interim final rule will appear in tomorrow's Federal Register, and is effective April 1, 2003. The related Federal Reserve Board final rule is also effective April 1.

Interim Final Rule - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2002-46a.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.

