OCC's New Guide for Bank Directors  
Focusses On Their Expanded Responsibilities

WASHINGTON, D.C. -- The Office of the Comptroller of the Currency (OCC) today issued an updated edition of The Director's Book: The Role of National Bank Directors. The new book provides guidance to bank directors on how to meet their responsibilities in the increasingly complex financial services industry.

The new book incorporates changes in federal law and court cases affecting directors since the first edition of the book was printed in 1987. These changes include statutory amendments to strengthen the federal banking agencies' enforcement powers, as well as judicial decisions clarifying directors' fiduciary duties.

"The book provides practical guidance to help your bank's directors carry out their responsibilities to make sure your bank remains healthy and able to compete in a rapidly changing industry," said Comptroller of the Currency Eugene A. Ludwig. "It provides information on how directors can monitor risk activities through board committees and management reports, and it highlights practices or conditions that should trigger additional board scrutiny in particular areas of bank operations, such as funds management or loan portfolio risk management."

The book clarifies that the responsibilities of directors may vary depending upon the complexity of their banks. It also focuses the attention of directors on OCC's supervision by risk program.

The Director's Book includes a list of directors' responsibilities and explains the board's role in formulating policy and overseeing the operation of the bank. The book also reviews the standards of director liability and lists administrative actions that can be taken against both national banks and individual directors.

Comptroller Ludwig sent 10 copies of the book to the chief executive officer of each national bank to distribute to board members. OCC examiners will also receive a copy. To obtain a copy of The Director's Book: The Role of a National Bank Director, send a written request along with a check for $10 to the Office of the Comptroller of the Currency, P.O. Box 70004, Chicago, IL 60673-0004.

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The OCC charters, regulates and supervises approximately 2,800 national banks and 66 federal branches and agencies of foreign banks in the U.S., accounting for more than half the nation's banking assets. Its mission is to ensure a
safe, sound and competitive national banking system that supports the citizens, communities and economy of the United States.