

May 28, 1998

Re: _____ Corporation

Dear Mr. _____ :

Commissioner Bias requested that I respond to your letter of May 26, 1998 to let you know that we have reviewed and have no objection to _____'s plans to establish an insurance agency through a direct subsidiary of its state-chartered bank, _____. You indicate that the insurance agency will be operated out of the bank's branch in _____, West Virginia—a town having a population of less than 5,000 as is permitted by W. Va. Code § 31A-4-13(f).

Your letter goes on to correctly note our interest in maintaining parity with national banks in the sale of insurance products, and our law's directive to follow federal bank regulator interpretations of similar language in 12 U.S.C. § 92. In that regard, you cite the guidelines set forth by the OCC in its Advisory Letters. These letters also set out the permissible market range and marketing tools and facilities for such insurance activities. These interpretations, most recently restated in OCC Interpretative Letter No. 824 (February 27, 1998), conform to your statements reflecting the current law in these matters to which you indicate _____ will adhere.

Further, you note that in conformity with the previously proposed rule on insurance sales by this office, _____ will be establishing written policies governing the use and sharing of customer information and will be forwarding a copy of these policies upon their development. We look forward to receiving them, and appreciate the cooperation with which you and _____ have approached this endeavor.

Sincerely,

Timothy C. Winslow
General Counsel