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December 4, 2013

The Honorable Thomas J. Curry
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street SW,
Washington, D.C. 20219

Dear Comptroller Curry,

I am very pleased to transmit the report you requested of an assessment of the OCC's approach to the supervision of large banks and thrift institutions. While the report supports completion of many of the initiatives that OCC has put into place since the crisis, we have also included a few recommendations that go beyond what we understand has been proposed to date.

The exercise that my colleagues and I undertook included a broad review of the OCC's supervisory processes, risk identification and follow-up, and the supervisory culture of the OCC. It was based on a series of comprehensive briefings by your staff during our on-site work, and a selective review of speeches and testimony, supervisory policies and procedures, and examination working papers and products. The nature of the exercise did not permit an in-depth analysis of any particular areas. The report's recommendations are based primarily on an understanding of the current processes as explained by supervisory staff and the documents reviewed.

Despite the understandable concern of some OCC staff regarding a review of their activities from outside the OCC, we received a high level of cooperation from everyone we met and an eagerness to respond promptly and fully to our numerous questions. The OCC is fortunate to have such a highly motivated, experienced, and professional staff dedicated to carrying out the work of the OCC.

Since the 2007 crisis, the OCC has embarked on several initiatives designed to improve operations. In the enclosed report, we have endorsed these initiatives and emphasized the importance of their effective implementation across the agency. We have also made recommendations related to the OCC's mandate and strategic goals, the resident examiner program, and the role of specialists in the supervisory process.

While the report was intentionally kept short, the team members have all expressed a willingness to answer any follow-up questions that you and your staff might have regarding our recommendations.

We all very much appreciate the opportunity you have provided us to learn more about the OCC's supervisory process and hope that our report will be of value to you and your team.

Best,

//signed//

Enclosure: *International Review of OCC's Supervision of Large and Midsize Institutions (December 2013)*