DATE: July 1, 2002

SUBJECT: Banking Agencies Issue Host State Loan-to-Deposit Ratios


In general, section 109 prohibits a bank from establishing or acquiring a branch or branches outside of its home state primarily for the purpose of deposit production. Section 109 also prohibits branches of banks controlled by out-of-state bank holding companies from operating primarily for the purpose of deposit production.

DOCUMENT LOCATION: The June 24, 2002 press release (with attachment that includes the updated ratios) is available under the Board of Governors' web site: http://www.federalreserve.gov/boarddocs/press/all/2002

FURTHER INFORMATION: Henry F. Dove, Jr., Supervisory Examiner, (314) 444-8846 (or 800-333-0810, ext. 448846) Banking Supervision and Regulation Department