



Office of Thrift Supervision

Department of the Treasury

1700 G Street, N.W., Washington, DC 20552 • (202) 906-6251

Chief Counsel

May 22, 1998

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Re: Broker-Dealer Service Corporation's
Use of Common Corporate Logo

Dear []:

This is in response to []'s letter dated July 29, 1997, supplemented on September 29, 1997, on behalf of [Association] and [Service Corp.], a registered broker-dealer and a wholly owned service corporation of [Association]. [] asked that we confirm that [Service Corp.] may use the same corporate logo on its signage, advertising, letterhead and other promotional materials as [Association] and its parent holding company now use.

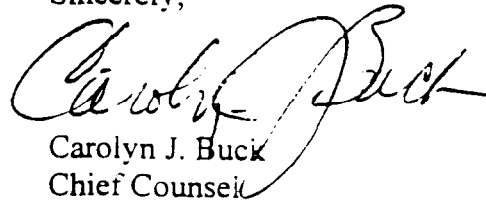
In support of [] request, [] represented that: (i) [Service Corp.] will otherwise limit its securities brokerage activities to the "pre-approved" activities described in 12 C.F.R. §§ 559.4(f) and 545.74, (ii) [Service Corp.] will comply with other regulations promulgated by the banking regulatory agencies, and by the National Association of Securities Dealers, that are designed to reduce customer confusion, (iii) any use of the common logo in [Service Corp.] advertisement and other sales material relating to nondeposit investment products will "conspicuously include" disclosures that specify that the products are not insured by the FDIC, are not a deposit or other obligation of [Association], and are subject to investment risk, including possible loss of the principal amount invested, and (iv) [Service Corp.] and [Association] will not use the same logo within the same advertisement. In addition, [] represented that [Service Corp.] securities sales areas will be physically segregated from other areas of [Association], that [Service Corp.] will utilize a separate sales force that does not sell any products and services of [Association], and that verbal and written disclosures will be given to securities customers at the time they transact securities business.

Notwithstanding these assurances, we are not prepared, at this time, to endorse the use of a common corporate logo you propose. The OTS is in the process of reviewing and revising its regulations pertaining to securities brokerage. However, pending the completion of that project, we are prepared to state, based on the facts presented and representations made in the July and September letters, that we would not recommend enforcement action should [Service Corp.] use the corporate logo currently employed by [Association] and its parent holding company in [Service Corp.] advertising and other promotional materials in the manner demonstrated in the sample advertisement provided with your September 29, 1998 submission.

In reaching the foregoing conclusion, we have relied on the factual representations contained in the materials presented to us. Our conclusions depend upon the accuracy and completeness of those representations. Any material change in facts or circumstances from those set forth in the submission could result in conclusions different from those expressed herein. Moreover, our conclusions represent our position on an enforcement action in this particular case. Accordingly, this letter may not be used as a precedent by any other parties.

We trust that the foregoing has been responsive to your request. Any questions regarding this matter should be directed to Eric E. Berg, Counsel (Banking & Finance), Business Transactions Division, at (202)906-6464, or Kevin A. Corcoran, Assistant Chief Counsel for Business Transactions, at (202)906-6962.

Sincerely,



Carolyn J. Buck
Chief Counsel

cc: [] Regional Director
 [] Regional Counsel