



SPECIAL ALERT

FIL-44-2000
July 7, 2000

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: *Entities That May Be Conducting Banking Operations in the United States Without Authorization*

The Office of the Comptroller of the Currency (OCC) has advised us that the following entity may be conducting banking business in the United States without authorization. It is reported to have a charter issued by the Republic of Palau, with an office in San Francisco, California. The entity is advertising on the Internet for depository business, and the address in Koror, Palau, is stated to be the location of the headquarters office.

The OCC has not granted a national charter to this entity, and it has not been licensed by the state of California. The State of California, Department of Financial Institutions, issued a cease and desist order to the subject on June 23, 2000. Proposed transactions involving this entity should be viewed with extreme caution.

Allied Boston Bank, Inc. (Palau)
100 Pine Street, Suite 2260
San Francisco, CA 94111

Headquarters Office Address:
523 Toirois Malakal
Koror, Republic of Palau 96940

Any information you may have concerning this matter should be brought to the attention of:

California Department of Financial Institutions
111 Pine Street, Suite 1100
San Francisco, CA 94111-5613
Fax: 415-288-8830
E-mail: <http://www.dfi.ca.gov>

Information about this entity also may be forwarded to the FDIC's Special Activities Section, 550 17th Street, NW, Room F-6012, Washington, DC 20429. For your reference, all FDIC Financial Institution Letters published since January of 1995 may be found on the FDIC's Web site at www.fdic.gov under "News, Events & FOIA."

James L. Sexton
Director

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (800-276-6003 or (703) 562-2200).