

**INTERPRETIVE LETTER 85-3 (APRIL 19, 1985)**

**State bank may reveal customer information to its bonding company in order to process a claim.**

This acknowledges receipt of your letter concerning confidentiality of customer financial records under Section 48.1 of the Illinois Banking Act, Ill. Rev. Stat. ch. 17, par. 360 (1983) as it applies to state-chartered banks documenting bonding claims under the banker's blanket bond policy. The intent of Section 48.1 is not to inhibit banks, in the ordinary course of business, in securing claims due the bank.

Paragraph (b) 11 of Section 48.1 does provide a general exemption from the prohibitions of Section 48.1. Under Section 16 of the Illinois Banking Act, "(t)he business and affairs of a state bank shall be managed by its board of directors...." Pursuing claims of the bank as required by Section 16 and as authorized by Section 5(1) of the Illinois Banking Act appear to require the board to take those steps necessary to document bonding claims despite Section 48.1.

However, there is no specific exemption under Section 48.1 dealing with your concern. Assuming the bank is bound by Section 48.1, a legislative change may be in order to clarify that in supporting a bonding claim, the bank is not subject to Section 48.1.