

Press Releases

May 14, 1998

OTS 98-39 - Nationwide Insurance Granted Federal Thrift Charter by OTS

Office of Thrift Supervision

NEWS

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FOR RELEASE at 11:30 a.m. EDT

For further information

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Nationwide Insurance Granted Federal Thrift Charter by OTS

WASHINGTON, D.C., May 14, 1998 - Nationwide Corporation and its mutual insurance and financial services companies received approval May 13 to establish Nationwide Trust Company, FSB. The new thrift will provide trust services to customers.

In approving Nationwide's charter application, which was filed last November 25, the Office of Thrift Supervision (OTS) imposed a number of conditions on operations of the new institution. Nationwide must obtain OTS approval prior to expanding operations beyond the trust business, and any contracts or agreements involving transactions with affiliates have to be cleared with OTS. It must file quarterly trust activity reports with OTS.

Any subsidiary of the holding company that engages in securities brokerage activities must be operated as a separate legal entity from the thrift, and they cannot share common officers unless approved by OTS. The thrift must abide by regulations governing transactions with affiliates, conflicts of interest, corporate opportunity and comply with federal guidance and statements on retail sales of nondeposit investment products.

The thrift also must adhere to the terms, deadlines, requirements and conditions contained in Year 2000 guidance issued by OTS and the Federal Financial Institutions Examination Council (FFIEC).

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents call PubliFax at 202/906-5660, or visit the OTS web page at www.ots.treas.gov.
