

## Press Releases

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July 23, 1999

### OTS 99-52 - Investment Adviser T. Rowe Price Granted Federal Thrift Charter

#### **Office of Thrift Supervision**

FOR RELEASE at 3:15 p.m. EDT

For further information

Friday, July 23, 1999

Contact: William Fulwider

OTS 99-52

202/906-6913

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### **Investment Adviser T. Rowe Price Granted Federal Thrift Charter**

WASHINGTON, D.C., July 23, 1999 - T. Rowe Price Associates, Inc., the Baltimore investment adviser to the T. Rowe Price Mutual Funds, has received a federal thrift charter from the Office of Thrift Supervision (OTS) to establish T. Rowe Price Savings bank. Associates becomes a unitary thrift holding company.

The new thrift institution will operate from Associates headquarters in Baltimore, and will market deposit only products nationwide to the general public through direct mail, telephone and electronic communications, including automatic clearing house and wire transfer. The institution will limit the product line initially to certificates of deposit with varying maturities, and will not make loans or sell mutual funds.

Before making any material change to its business plan, however, Price Bank will have to obtain OTS approval, and it must clear with OTS contracts or agreements pertaining to transactions with affiliates. Any affiliate that engages in securities brokerage activities will operate as a separate legal entity from the thrift, and the thrift, holding company and broker dealer affiliate are subject to the provisions of regulations and policies covering retail sales of noninsured products.

At least 40 percent of the savings bank's directors must be individuals who are not officers or employees of the holding company or affiliates, and at least one member is to be independent of the thrift, holding company and affiliates. All officers and directors of the thrift are expected to adhere to regulations regarding conflicts of interest and corporate opportunity, and the thrift must meet the interagency criteria for Year 2000 compliance.

[T. Rowe Price Associates, Inc. Approval Order](#)

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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](http://www.ots.treas.gov).