

Press Releases

January 24, 2000

OTS 00-09 - The Hartford Group Granted Federal Thrift Charter by OTS

Office of Thrift Supervision

FOR RELEASE at 9:30 A.M. EST

For further information

Monday, January 24, 2000

Contact: William Fulwider

OTS 00-09

202/906-6913

The Hartford Group Granted Federal Thrift Charter by OTS

WASHINGTON, D.C., Jan. 24, 2000 - The Hartford Financial Services Group, Inc., Hartford, Conn., received approval of the Office of Thrift Supervision (OTS) to organize a new federal savings bank. The thrift, named The Hartford Bank, will offer trust services from its base in Hartford.

The Hartford Group, one of the nation's oldest and largest insurance companies, has assets of approximately \$154 billion. It offers specialized insurance and financial service products in five strategic areas: life, personal, commercial, reinsurance and international. Its insurance lines include, in addition to life, specialized health, casualty, auto, property, homeowners, general liability, marine, agricultural and bond coverage. Hartford also provides registered investment advisory services through a subsidiary, Hartford Investment Management Company.

The new thrift will provide fiduciary services to both individual and institutional customers. These products will be marketed nationwide through Hartford's personnel responsible for providing customer and agency support. Personal trust products, held mostly in non-discretionary trust accounts, will be marketed in conjunction with the sale of annuity and mutual fund products through broker-dealers, independent financial planners and Hartford employees who specialize in estate and financial planning.

Any material change to the thrift's business plan requires OTS consent, and before engaging in any fiduciary activity, it must develop and submit for OTS review a functioning oversight program consisting of comprehensive audit, compliance management and risk management programs. Hartford Bank also is to provide the agency quarterly activity reports on the number and type of trust accounts serviced and their asset value, and is subject to state and federal securities laws relating to registration as an investment adviser.

Hartford Bank, the holding company and any broker-dealer affiliate must adhere to interagency guidelines covering the sale of uninsured products, as well as anti-tying restrictions. OTS reserves the right to have its examiners periodically and without identifying themselves check on the bank's disclosure procedures. The bank and broker-dealer affiliates are also governed by regulations pertaining to conflicts of interest, corporate opportunity and the exercise of fiduciary powers. At least 40 percent of the thrift's directors must be individuals who are not officers or employees of the holding company or affiliates, and at least one member has to be independent of the thrift, holding company and affiliates.

Approval Order - Hartford - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-09a.pdf>

###

The Office of Thrift Supervision (OTS), an office of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's 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 visit the OTS web page at www.ots.treas.gov.