

Press Releases

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OTS 01-35 - GE Bank Subsidiary Granted Federal Thrift Charter

Office of Thrift Supervision

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For further information

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GE Bank Subsidiary Granted Federal Thrift Charter

WASHINGTON - GE Capital Consumer Card Co., Mason, Ohio, received approval from the Office of Thrift Supervision May 31 to switch from a state bank charter to a federal savings bank charter. Upon adopting the new charter, the savings bank will change its name to GE Financial Corp.

The company, an Ohio-chartered credit card bank, is a subsidiary of General Electric's General Electric Capital Services Inc. (GSCS) and General Electric Capital Corp. (GE Capital). The bank had total assets of \$494.8 million and equity capital of \$45 million as of December 31. The bank filed its application with OTS prior to the May 4, 1999, deadline under the Gramm-Leach-Bliley Act of 1999.

GE Financial will continue to operate primarily as a credit card bank, but adopting the thrift charter will allow it to offer additional consumer loan products. For example, the bank plans to offer a consumer installment (debt consolidation) loan product.

In June 1997, the bank received approval from the FDIC to engage in the credit card business in Australia through the establishment of an Australian unit. The bank currently issues general-purpose MasterCards and Shell Oil co-branded cards in Australia.

Upon the conversion of the bank, General Electric, GSCS and GE Capital each become savings and loan holding companies.

Under the terms set forth by OTS, the transaction must be completed within 120 days of the approval. GE Financial must operate within the parameters of its business plan and clear any proposed major deviations or material changes to its business plan with OTS.

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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'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.