Mutual Insurance Trade Group Awarded Thrift Charter By OTS

WASHINGTON, D.C., Feb. 16, 2000 - The National Association of Mutual Insurance Companies (NAMIC), Indianapolis, has received approval from the Office of Thrift Supervision (OTS) to open a federal thrift institution that will operate nationwide as Assurance Partners Bank. NAMIC organized Assurance Partners Bancorp for the purpose of organizing the new thrift, and Bancorp becomes a thrift holding company along with NAMIC.

NAMIC is a trade association for the property and casualty insurance industry, and currently has about 1,100 members in more than 40 states and in Canada and Europe.

Assurance Partners Bank, which will have an office in Carmel, Ind., will engage primarily in consumer and second mortgage lending, home equity lines of credit and small business loans, and it also plans to offer an array of mortgage products through partnership arrangements with nationwide mortgage providers. It will fund these loans with deposits from NAMIC-member companies and the public.

A majority of the bank's business will be generated by soliciting customers of insurance agents who work for NAMIC-member companies. Direct marketing of its products and services will initially roll out in the Indianapolis metropolitan area, but may eventually expand beyond that.

One of the conditions of OTS's approval is a requirement that Assurance Partners Bank maintain tangible (core) capital at or above 10 percent for the first five years of operation. If capital were to fall below that level, the thrift would have to follow certain procedures to restore capital to the 10 percent minimum. Additionally, the thrift has to submit to OTS for approval a comprehensive compliance management plan covering fair lending and consumer protection statutes and regulations, as well as consumer complaints; loan underwriting standards; and written assurance of compliance with the Real Estate Settlement Procedures Act (RESPA).

Any major changes in the thrift's approved business plan must be approved by OTS, and the holding companies, affiliates and thrift have to comply with the anti-tying laws and the guidelines on disclosure of uninsured products. OTS also requires written evidence that the thrift's data systems, programs, software and business applications will function properly.
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.