

## Press Releases

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February 6, 1998

OTS 98-10 - Excel Receives Approval to Establish New Thrift

### Office of Thrift Supervision

# NEWS

FOR RELEASE at 11:30 a.m. EST

For further information

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Contact: William Fulwider

OTS 98-10

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### **Excel Receives Approval To Establish New Thrift**

WASHINGTON, D.C., Feb. 6, 1998 - Excel Communications, Inc., a long-distance telephone service provider, received the approval of the Office of Thrift Supervision (OTS) today to set up and operate a federally chartered thrift institution and to create a branch of the new operation.

FirstExcel, FSB, will have its home office in an Excel Communications facility in Dallas, and will offer a full range of thrift services.

OTS imposed a number of conditions in approving Excel's application. The agency requires FirstExcel to have an initial capitalization of \$7 million. FirstExcel has told OTS it intends to rely primarily on Excel Communication's employees and independent representatives for its customer base, but will take steps to diversify its customer base, including opening a branch that will be readily accessible to the public.

If the branch is not fully operational and accessible to the general public within a year after FirstExcel opens for business, OTS will require the institution to maintain core capital of at least 12 percent until the branch does open for business. After that, the capital requirement declines to a minimum of 8 percent for a period of three years. The order also requires the thrift to hire a chief lending officer approved by OTS before becoming operational.

FirstExcel must comply with any changes to CRA regulations that OTS, acting alone or in concert with other regulators, determines are appropriate for depository institutions operating primarily through the Internet, telephone or other non-traditional channels. Any changes FirstExcel initiates to its own CRA plan in the first three years must have OTS approval. Excel, as the holding company, and FirstExcel are subject to the provisions of regulations and policies governing the sale of securities and other nondeposit investment products.

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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).