

Press Releases

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OTS 00-54 - OTS Approves Thrift Charter for American Express

Office of Thrift Supervision

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For further information

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Contact: Patricia Cinelli

OTS 00-54

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OTS Approves Thrift Charter for American Express

WASHINGTON, D.C., June 9, 2000 - The Office of Thrift Supervision (OTS) has granted a federal thrift charter to American Express Company (AMEX). The savings bank, to be known as American Express Personal Trust Services, will operate as a special purpose financial institution that will provide trust and trust related services.

AMEX, through its subsidiaries, is a leading provider of financial advisory, international banking, and travel related services throughout the world. The company, which was founded in 1850, is publicly traded on the New York Stock Exchange and operates approximately 250 subsidiaries worldwide. The new thrift, which will operate from Minneapolis, plans to initially market its personal trust products to AMEX cardholders.

In approving the charter, OTS requires the new thrift to obtain OTS approval of any material change in its approved business plan and must appoint an investment officer. Prior to engaging in any fiduciary activity, the thrift must develop a functioning oversight program, consisting of comprehensive audit, compliance management and risk management programs, and the audit program must be in place before the thrift begins operations. Additionally, it must submit to OTS quarterly reports on the number and type of trust accounts serviced, and abide by anti-tying laws and interagency guidelines covering the sale of uninsured products.

At least 40 percent of the thrift's board must be individuals who are not officers or employees of the holding company or its affiliates, and at least one member has to be independent of the thrift, holding company and affiliates. A majority of the new thrift's board must not be associated with any securities affiliate.

AMEX Approval Order - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-54a.pdf>

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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.