

## Press Releases

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### OTS 00-56 - OTS Grants Four Charters; Thrift Charter Continues to Attract Office of Thrift Supervision

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For further information

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### OTS Grants Four Charters; Thrift Charter Continues to Attract

WASHINGTON, D.C., June 19, 2000 - The thrift industry grew by four new institutions today as the Office of Thrift Supervision (OTS) announced it has approved federal thrift charters for three start-up savings banks and a converting California-chartered industrial loan company. The three new institutions are:

- Fort Lee Federal Savings Bank, Fort Lee, N.J.;
  - Cooperative Bank, Egg Harbor City, N.J.; and
  - The PrivateBank, St. Louis.
- The converting institution is:
- Affinity Bank, Ventura, Calif.

"These approvals bring to about 115 the number of new thrift charters we have granted over the past three and a half years, attesting to the continued popularity and versatility of the federal thrift charter," said Richard M. Riccobono, OTS deputy director. "Thrift institutions continue to be primarily community oriented. And in the case Fort Lee and Cooperative banks, their founders have identified a void created within their communities by consolidation and are seeking to fill that void," Riccobono added.

"The other two, PrivateBank and Affinity, once again verify the added capacity and versatility of the federal thrift charter to meet special needs, such as the unique customer base in Affinity's case that nonetheless constitutes a 'community' united by a common interest," Riccobono said.

Fort Lee Bank will be a full-service financial institution offering savings and credit products to homeowners and small businesses in northern and central New Jersey, with particular emphasis on the Greek American and other ethnic markets and communities in those geographic areas. Haralambos S. Kostakopoulos, one of the organizers and chief executive officer of the new institution, has been credited by regulators with leading the financial rescue of First Savings Bank of Little Falls, N.J. Once revitalized, First Savings was then acquired by a commercial bank holding company in April 1999. Kostakopoulos also formerly headed a commercial bank in New York.

Cooperative Bank will be a traditional community bank offering a full range of loan and deposit products with the vast majority of its lending in residential and nonresidential mortgages. OTS simultaneously approved an application to establish a branch of the bank in Hammonton, N.J. The five bank organizers, including President and CEO Scott T. Page, are former officers and/or directors of Collective Bank, Egg Harbor City, which was a \$5.4 billion asset stock savings bank that merged into Summit Bank in 1998. Page was the senior executive vice president, secretary and general counsel at Collective Bank at the time of its merger.

PrivateBank will become a sister organization to The Private Bank and Trust Company, a state-chartered commercial bank based in Chicago. Both will be part of the holding company, PrivateBancorp Inc. (INC). The new thrift will be similar to the commercial bank in that it intends to develop and serve a customer base of mostly middle and upper-middle income individuals seeking a high level of personal service. It plans to be active in home financing and commercial and consumer lending and to meet its CRA obligations by identifying opportunities for single and multifamily mortgage lending through contacts with various housing, religious and community groups. Other initiatives include small business lending and financing low-income, multi-family housing.

Affinity Bank succeeds the state-chartered bank of the same name, which was owned by Affinity Group, Inc. (AGI). AGI is a national member-based marketing company that sells memberships primarily to recreational vehicle owners, campers, outdoor vacationers and golfers. To gain the thrift charter, AGI and its principal owner, Stephen Adams, created Note Holding Company entirely separate from AGI. Affinity, with \$290 million in assets at year-end 1999, will market primarily to AGI members throughout the nation. It also will continue to operate two full-service branches in San Francisco and Ventura, as well as lending offices in those locations plus Irvine and a recently opened loan-production office in Littleton, Colo.

The four approvals come with conditions. Common to all of them is that before making any material change to the approved business plan, each must obtain OTS approval. Because of its business plan, PrivateBank is to submit to OTS comprehensive written lending policies and procedures for mortgage, commercial and consumer lending. Affinity has to submit a quarterly report on the results of its various lending programs and initiatives in Northern and Southern California and its lending to low- and moderate-income individuals and communities and to small businesses.

Fort Lee and Affinity also must have in place comprehensive compliance and consumer protection and fair lending programs, and PrivateBank is to report monthly to its directors on the progress of its CRA plan. OTS also requires that at least 40 percent of Affinity's directors must be individuals who are not officers or employees of the holding company or affiliates, and at least one individual must not be an officer of either or of the thrift.

## **View Related Director's Orders**

DO 00-54, Approval of Applications for Permission to Organize a Federal Savings Bank, PrivateBancorp, Inc., Chicago IL - (06/16/2000) - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-56a.pdf>

DO 00-52, Approval of Applications for Permission to Organize a Federal Savings Bank, Fort Lee Federal Savings Bank, FSB, Fort Lee, NJ - (06/16/2000) - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-56b.pdf>

DO 00-49, Approval of Applications for Permission to Organize a Federal Savings Bank and Holding Company Acquisition, CBHC Financialcorp, Inc. Egg Harbor City, NJ - (06/16/2000) - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-56c.pdf>

DO 00-48, Approval of an Application for Conversion to Federal Savings Association Charter and Holding Company Application, Affinity Bank, Ventura, CA – (06/16/2000) – <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-56d.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](http://www.ots.treas.gov).