

## Press Releases

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July 12, 1999

### OTS 99-49 - Guard Insurance Group Granted Thrift Charter

#### **Office of Thrift Supervision**

FOR RELEASE at 2:45 p.m. EDT

For further information

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OTS 99-49

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### **Guard Insurance Group Granted Thrift Charter**

WASHINGTON, D.C., July 12, 1999 - Guard Insurance Group, Inc., its wholly owned subsidiary, Guard Financial Services, Inc., and a number of related companies, have been approved by the Office of Thrift Supervision (OTS) to establish a new federal thrift institution, Guard Security Bank, which will operate one public office at Guard's corporate headquarters in Wilkes-Barre, Pennsylvania.

Guard is an insurance company that provides, through various subsidiaries, workmen's compensation insurance to small and medium sized business in the Mid-Atlantic and New England areas. The company's principal shareholders are Y. Judd Shoal and Susan W. Shoal. Guard had total assets of \$164.7 million as of Dec. 31, 1998.

In its first three years of operation, the new thrift plans to originate home equity loans that will be marketed to the policyholders, independent insurance agents, and brokers with whom guard does business. The thrift also will make education loans and small business loans to customers in its local community and to independent agents who sell Guard's insurance products. It also plans to offer auto loans and leases through a dealer network in the Wilkes-Barre area.

In approving the new thrift charter, OTS imposed several conditions. At least 40 percent of the savings bank's board of directors must not be officers or employees of the holding companies or their affiliates. At least 50 percent of the savings bank's audit and investment committees must not be officers or employees of the thrift, its holding companies or its affiliates.

Guard Security Bank must operate according to its business plan, and notify OTS at least 30 days in advance if it wishes to deviate from the plan in any major way.

The thrift also must comply with the anti-tying statutes, submit annual independent audit reports to OTS for its first three years, and certify to OTS that it is Y2K compliant.

[Guard Approval Order](#)

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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 visit the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).