PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC Resolves Payday Lender Lawsuit

The Federal Deposit Insurance Corporation (FDIC) has resolved a lawsuit with Advance America, Cash Advance Centers, Inc.; Check Into Cash, Inc.; and Northstate Check Exchange. *Advance America et al. v. Federal Deposit Insurance Corporation et al.* (D.D.C.). The lawsuit had alleged terminations of payday lender bank accounts. In exchange for the plaintiffs' agreement to dismiss the lawsuit, the FDIC is issuing: (1) a statement summarizing its longstanding policies and guidance regarding the circumstances in which the FDIC recommends that a financial institution terminate a customer's deposit account and reiterating preexisting public guidance to financial institutions about providing banking services and carrying out Bank Secrecy Act obligations; and (2) a cover letter transmitting the statement to the plaintiffs that reiterates prior correspondence from the FDIC Chairman, summarizes applicable FDIC policy, and notes that the FDIC is conducting additional training of its workforce.

Neither the summarizing statement nor the cover letter represents a change in the FDIC's policies or guidance, and all of the FDIC's existing applicable regulations and guidance documents remain in full force and effect.

Attachment:

Statement Summarizing FDIC Policies and Guidance, with Accompanying Letter to Plaintiffs

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