



PRESS RELEASE

Federal Deposit Insurance Corporation

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The FDIC at 75: How It Protects Consumers and How Consumers Can Protect Themselves

Latest FDIC Consumer News also includes a to-do list for fine-tuning finances and an update on help for mortgage borrowers

In the 75 years since the FDIC was created, no depositor has ever lost a single penny of FDIC-insured funds. But while the FDIC may be "famous since 1933," consumers may not fully understand how the agency serves them and how to benefit by more fully using the FDIC's products and services. The latest **FDIC Consumer News** features tips and information to remind consumers that the FDIC continues to protect their money, just as it has for generations of bank customers. Other articles in the Winter 2007/2008 issue offer suggestions for fine-tuning personal finances and an update on help for mortgage borrowers having repayment problems.

In the main feature tied to the 75th anniversary, key messages include:

- **It's important to know why, when and how to be sure you're fully protected by FDIC insurance.** Consumers don't need to worry about their insurance coverage if they have \$100,000 or less in all of their deposit accounts at the same insured bank. But if they have more than \$100,000 on deposit in one bank, it's smart to learn more about insurance coverage, including how to qualify for more than \$100,000 in coverage at one bank, which is possible under FDIC rules.
- **The FDIC can help you understand and determine your insurance coverage.** FDIC staff responds to letters, e-mails and calls to our toll-free Call Center (1-877-ASK-FDIC, which is 1-877-275-3342). The FDIC also offers insurance brochures, videos and an online insurance calculator that clearly states if a person's deposits are fully insured or not.
- **Depositors have quick access to their insured funds after a bank closes.** With a few exceptions, the FDIC pays depositors within just a few days,



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-13-2008

usually the next business day. This enables consumers and businesses to continue handling their day-to-day financial affairs with little or no delay, inconveniences or hardships.

- **The FDIC promotes safe banking.** The FDIC answers questions about banks or banking practices, investigates complaints, promotes compliance with consumer protection laws, and offers free educational products on a variety of topics other than deposit insurance.

President Franklin D. Roosevelt signed the law creating the FDIC on June 16, 1933. History buffs and others may be especially interested in reading an article in **FDIC Consumer News** about changes in banking and the FDIC since 1933. The newsletter also notes that a history page on the FDIC's Web site features a 1934 newsreel of the first depositors to receive federal insurance payments after a bank failure.

For troubled mortgage borrowers, **FDIC Consumer News** reports on a December 2007 agreement by a number of lenders and loan servicers to freeze interest rates for five years for certain homeowners who could lose their homes if payments reset to a higher interest rate. Homeowners having difficulty paying their mortgage should contact their loan servicer to find out if they qualify for loan modification or other plans or options for revising or renegotiating their loans.

Borrowers having difficulty reaching their servicer can call the same FDIC Call Center noted previously. Although borrowers will need to discuss their particular situation with their servicer, the FDIC can help individuals contact their servicer or the appropriate state or federal regulator.

The goal of **FDIC Consumer News** is to deliver timely, reliable and innovative tips and information on financial matters, free of charge. The Winter 2007/2008 issue can be read or printed online at www.fdic.gov/consumers/consumer/news/cnwin0708.

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