



PRESS RELEASE

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Media Contact:
David Barr (202-898-6992)

FDIC Board Approves Safe Accounts Pilot Program

Applications to Participate Will Be Accepted Through September 15, 2010

The FDIC Board of Directors today approved a pilot program to evaluate the feasibility of insured depository institutions offering safe, low-cost transactional and savings accounts. Under the pilot, participating institutions will offer electronic deposit accounts with product features identified in the FDIC Model Safe Accounts Template.

Accounts offered by pilot institutions will be FDIC-insured, have reasonable rates and fees that are proportional to their cost, and be subject to applicable consumer protection laws, regulations and guidance. Participating institutions may not charge fees for non-sufficient funds or overdrafts for these accounts.

The pilot's Model Safe Accounts are designed to help meet the needs of the more than one-quarter of all U.S. households that are underserved, according to the FDIC Survey of Unbanked and Underbanked Households (<http://www.fdic.gov/householdsurvey/>). This study also showed that minorities and lower-income households are much more likely to be underserved.

"Access to mainstream financial services at a federally insured institution provides consumers with a safe place to keep their money and conduct basic financial transactions affordably. Such access can also help consumers build a credit history, access credit on favorable terms, and work toward financial security," said FDIC Chairman Sheila C. Bair. "We've seen banks that have already been successful in providing safe, low-cost accounts, particularly designed for consumers new to the financial system. The FDIC Model Safe Accounts Pilot is intended to increase these account offerings by providing a voluntary roadmap for others."

FDIC Vice Chairman Martin Gruenberg said, "The electronic transaction and savings accounts outlined in the FDIC Model Safe Accounts Template hold the prospect of providing financial institutions a guide to offering unbanked and under banked



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-183-2010

households affordable basic banking services on a cost effective basis. The Pilot Program approved today is an important step in evaluating the potential of these accounts."

The FDIC is accepting applications from insured institutions interested in participating in the pilot through September 15, 2010. Information on the pilot, reporting requirements, positive aspects of participation, eligibility of insured institutions and the application process is available at <http://www.fdic.gov/consumers/template/>. Applications should be submitted through SafeAcctPilot@fdic.gov. The FDIC will notify institutions of their selection for the pilot by September 30, 2010.
