FDIC Consumer News

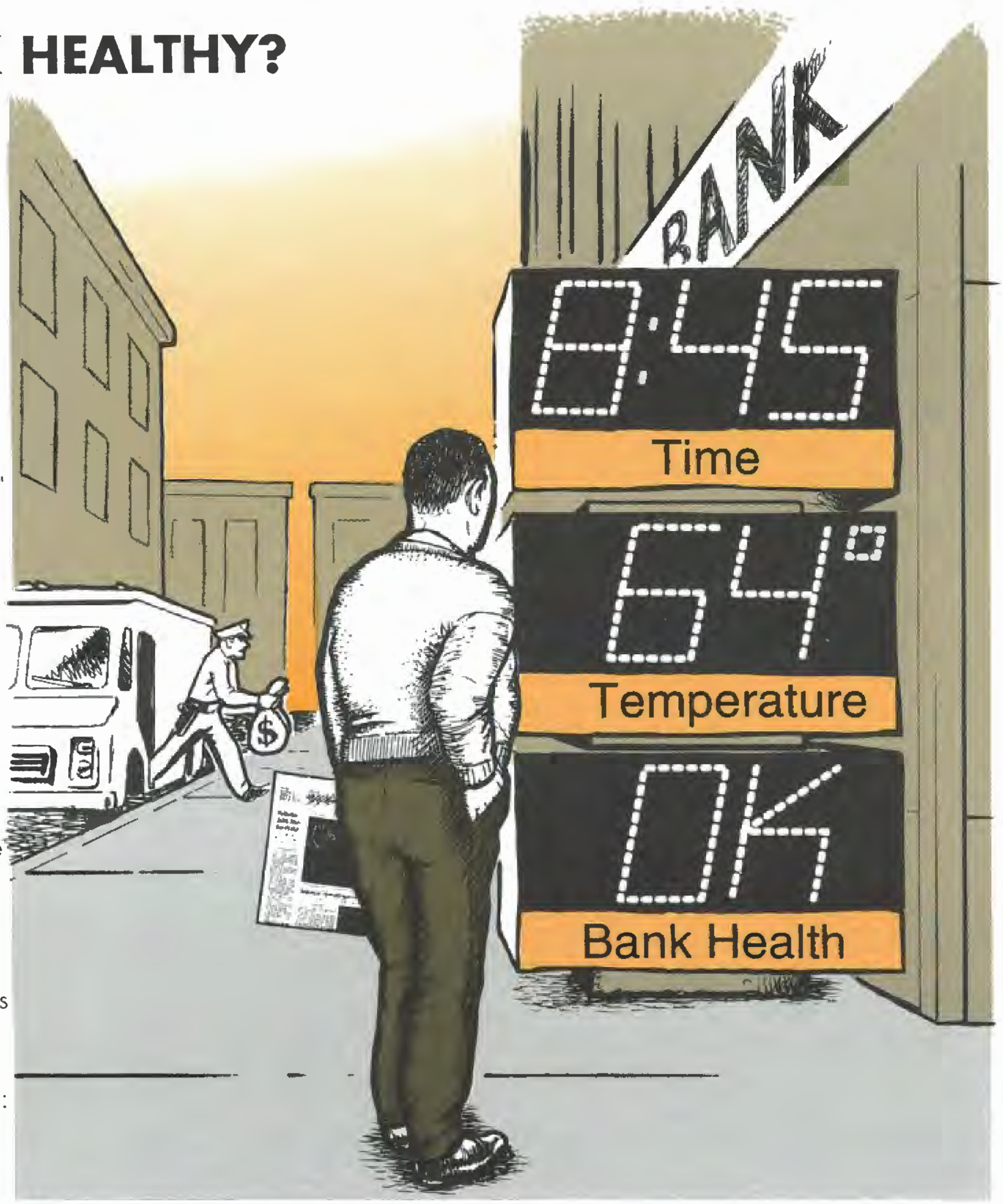
News and Information On Consumer Issues from the Federal Deposit Insurance Corporation

SPRING 1994 VOLUME 1, ISSUE 3

INSIDE

IS YOUR BANK HEALTHY?

Here Are Ways To Find Out



Before the rash of bank and savings association failures in the late '80s, you probably didn't give much thought to the health of your bank. In fact, you probably didn't think about it at all. There was little reason to: Bank failures were few and far between; even the term "bank failure" was unfamiliar to most people. Then came the '80s, when the failure rate started to escalate. By 1985 bank failures reached triple digits and stayed there through the next seven years, peaking at 206 in 1989. As the failure numbers grew alarmingly, people soon began to pay a lot of attention to the health of their bank. Even today, when the number of failures has declined to a trickle, one of the most frequently asked questions received at the FDIC is, "How can I tell if my bank is safe?"

Before we describe the various options and available information for assessing your bank's health, here are some important points to keep in mind:

(Continued on next page)

■ There is no easy, one-stop answer;

■ Your ability to determine a bank's health from available records may depend on your financial I.Q. (Do you understand a financial statement? Most people don't. But don't despair; other indicators are available.); and

■ Any financial assessment of a bank – or any other financial institution, OR any corporation or business, OR your own finances – is just a "snapshot" of what the scene looks like at the time you are looking at it. Each of these financial pictures changes over time – perhaps in minutes! So one rule of thumb when assessing the financial condition of your bank (or anything else) is to take several "snapshots" over time and compare them. How? More on that shortly.

Information about the condition of a financial institution (bank, savings association, credit union or other type) is available from three sources: (1) the institution itself; (2) the regulators, usually the institution's primary supervisor; and (3) third parties, such as professional companies that rate the health of financial institutions (for a fee), publications and brokerage houses. Here's what is typically available and the cost, if any (see where to write for what in the box below).

1. The institution: Makes available on request an annual financial statement, which is basically a balance sheet (assets and liabilities) and income statement and often may highlight some basic information like how profitable the institution is and how much capital there is to cushion any future losses. For many institutions, public availability of these statements is mandated by law or regulation. Larger institutions must include a narrative management discussion. A quarterly report also may be available and is often published in a

THESE DOCUMENTS ARE AVAILABLE FROM THE REGULATORS:

Report of Condition and Income Statement (Call Report) -- commercial and savings banks: Each report is $6.00; you can be billed. Write to the FDIC Disclosure Group, Room F-518, 550 17th Street, N. W., Washington, D.C. 20429. Provide institution's name and location, year and quarter (first, second, etc.) being requested, contact person, phone number and mailing address. For savings associations' Thrift Financial Reports, write to the Office of Thrift Supervision, Information Services Division, 1700 G Street, N. W., Washington, D.C. 20552.

Uniform Bank Performance Report (UBPR) (commercial banks): Each bank report is $45, payable in advance to the Federal Financial Institutions Examination Council. Mail request and check to: UBPR, Department 4320, Chicago, IL 60673.

Registered Bank filings (banks with more than 500 shareholders): A list of these institutions (there are about 200 of them filing with the FDIC) and copies of filings can be requested by writing to the FDIC Registration and Disclosure Section, Division of Supervision, 550 Seventeenth Street, N.W., Washington, D.C. 20429, or by calling (202) 898-8913. Filings also may be inspected between the hours of 8:30 a.m. and 5:15 p.m., Eastern Time, at Room 643, 1776 F Street, N. W., Washington, D.C. Call ahead to make sure the filings are available (if the number of shareholders drops below 300, an institution no longer may need to meet the SEC filing requirements). For similar filings by their institutions, see addresses of other regulators on Page 11.

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local newspaper. If your bank or savings association is owned by a holding company, you should be able to obtain an annual report of the parent company that explains its financial position in some detail. There is usually no charge or a nominal copying fee for any of the reports available from the institutions.

2. The regulator: Provides on written request a financial institution's quarterly Report of Condition and Income – a detailed report (known as a "Call Report") of various data used to assess financial health, such as capital, reserves, net income, etc. (Each report is $6.00.) Also available: various filings required by the Securities Exchange Act of 1934 for banks with more than 500 shareholders, including annual and quarterly reports, as well as annual proxy statements. Copies from the FDIC for state-chartered nonmember banks that file these forms are ten cents a page after 250 free pages. For the same types of filings required from national banks, state member banks, or savings associations, contact the Office of the Comptroller of the Currency, the Federal Reserve Board or the Office of Thrift Supervision, respectively, at the addresses listed on Page 11.

Another useful tool if you're mathematically inclined: the Uniform Bank Performance Report, which shows how the institution you're assessing compares to itself in prior periods and other institutions in its peer group (that is, institutions with similar characteristics, such as asset size or location). These reports can be ordered from the Federal Financial Institutions Examination Council. (See address information in the box on Page 2.)

3. Third parties: For non-mathematical folks, these sources may be the most useful.

– Several ***rating companies*** provide financial reports on specific banks for a fee. The FDIC does not endorse any of these entities, but a list of some of them is provided on Page 4 for our readers' convenience. Readers are cautioned, however, that some financial background and an understanding of financial terminology may be needed to gain the maximum benefit from these reports.

– ***Publications*** that profess to give you the inside financial scoop are too numerous to mention. You may wish to subscribe to a financial newspaper or periodical, but look at a few issues in your local library first to make sure it meets your needs. Major newspapers in larger cities carry enough financial information to give readers some idea of major trends. Local newspapers often carry stories about local financial institutions; these papers also may carry advertising from local institutions that includes some notable facts in addition to the usual rate and product information. Some examples: "Serving your community since 1950" tells you the institution has been around for a while (but doesn't necessarily mean it will be around forever). Or perhaps a bank or thrift sponsored a local civic event or demonstrated its commitment to the community in some other way. Activities like those should enter into your assessment of an institution even though they don't provide specific financial data or direct information about its financial performance.

– *Stock brokers*, another possible source, provide financial information to their customers, usually about companies, or financial institutions, whose securities they are selling, as well as the companies whose securities the customer already owns.

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FDIC
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550 17th Street, N.W.
Washington, DC 20429

Dear Subscribers

The FDIC will fill reasonable requests for multiple copies of ***FDIC Consumer News,*** but we can send them to ***only one address.*** So, if you wish that more than one office or person in your organization receive our newsletter, let us know how many copies you need but please designate just one name and address.

If you're really intent on learning about your financial institution, and its stock is traded on an exchange (ask a bank officer if it is), you could buy some shares; then you might receive plenty of information about it, including not only its health, but perhaps its plans for the future, too.

ORDER BANK RATINGS BY PHONE

Here are some of the companies that provide them

[NOTE: Some financial background and familiarity with financial terminology may be needed to gain the maximum benefit from these reports. Readers are reminded that the FDIC does not specifically endorse any rating company.]

Bauer Financial Reports, Inc., Gables International Plaza, Penthouse 1-C, 2655 Le Jeune Road. Coral Gables, Florida 33134 [1-800-388-6686] – Rates banks, savings associations and credit unions using a system of 0 (lowest) to 5 stars. Information free for certain banks. $10 for the first institution and $2 for each additional institution. Statewide and other lists also available.

IDC Financial Publishing, P.O. Box 140, 300 Cottonwood Ave., Hartland, Wisconsin 53029 [1-800-525-5457] – Rates all banks, bank holding companies, thrifts and credit unions reporting to the federal government. Rates institutions on a scale of 300 (best) to 1, based on financial statistics and ratios. Institutions also are classified into one of five peer groups, ranging from superior to lowest. Rating categories by phone ($30 each) are followed up with a five-page report.

Sheshunoff Information Services Inc., 505 Barton Springs Road, Suite 1100, Austin, Texas 78704 [1-800-456-2340] – Evaluates banks and savings associations based on capital adequacy, asset quality, earnings and liquidity. A rating report for one institution costs $25. For $50, ratings of all the banks or savings associations in one state will be provided.

Veribanc, P.O. Box 461, Wakefield, MA 01880 [1-800-442-2657] – For $10 you can find out where your bank, savings association or credit union falls in their 8 categories of safety. $5 more for each additional rating. Each $10 rating includes ratings for the past three quarters. For $25 you can get a short report that includes the rating and a paragraph of related financial data. For $35, you get a list of banks in your region (or any region you choose) that meet exceptionally high standards. The company will provide at no charge the definitions for its ratings, number of banks in each rating category and historical records of the number of bank failures in each rating category.

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By now you're wondering why the regulators just can't say right out whether your institution is healthy or not. After all, the regulators must know the condition of the institution: they periodically send in examiners who write detailed reports about the institution's health. And they assign a rating to each institution according to an interagency system [see CAMEL box on Page 5] that would tell you instantly – if you could understand it – whether you should have concern, and if so, how much. Yet, this information cannot be disclosed to the public. Why not?

Let's suppose the agencies decided to give these ratings to the public. You find out that your financial institution is rated 4 or 5 (the two lowest ratings) on the CAMEL rating system. You now know your bank is having difficulties. If it's a 4, it may well pull itself out of the hole; if it's a 5: Chances are slim. You'd probably run, not walk, to the nearest entrance and withdraw all of your money. Sure it's insured, but who wants to go through the hassle of filling out papers and waiting a few days for their funds and maybe even having to open new accounts and get new loans and lines of credit somewhere else? Other depositors come to the same decision, they all run to the bank and withdraw their funds, and Bingo! The bank is broke. No, "It's" NOT "A Wonderful Life" and you are not going to go to the rescue of your bank president. That only happens in the movies.

And the so-called "bank run" that Jimmy Stewart experienced isn't confined to sick institutions, either. Suppose your bank is experiencing temporary problems that could be solved within an acceptable (to regulators) time period. Somehow, you and other depositors get wind of possible problems at the institution and remove your funds, causing the bank's capital to fall below required minimum standards or become insolvent, thus forcing regulators to close it. The recovering patient, denied an air supply, dies.

CAMEL Ratings

The name comes from the first letter of each of the five following key criteria used by bank and thrift regulators to determine a bank's health:

- **Capital adequacy**
- **Asset quality**
- **Management/ Administration**
- **Earnings**
- **Liquidity**

After assesssing these and other factors, regulators assign a composite rating from one to five, with one-rated institutions considered sound in almost every respect and five-rated institutions considered in imminent danger of failing. A detailed description of the CAMEL rating system is available from the FDIC's Office of Corporate Communications. The actual rating for an individual institution, however, is not disclosed to the public (see accompanying story).

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That's one reason - disclosure could cause unnecessary failures - why regulators don't reveal the names or ratings of ailing institutions. They also are prohibited by law from disclosing that information (except in specific circumstances), and if they do could face stiff fines, jail or both. The primary purpose of government supervision is to prevent problems and, if problems do develop, to get them corrected before the public or the economy are affected.

Now, how do you compare "snapshots" of your institution's financial health? If you're familiar with terminology like earnings, capital, assets and liquidity, you can use the institution's quarterly or annual reports or the Call Reports from the FDIC (or the Office of Thrift Supervision for savings associations' reports) to compare these and other "line items" that are used to assess financial health. Obviously, you want to see a steady maintenance or an increase over time in each of these categories, or a good explanation why there isn't one (perhaps the bank purchased a subsidiary that in the long run will make the bank more profitable). You also want to see that these items are in proper proportion to each other. For example, is capital increasing at the same or better ratio than assets, so that the *percentage* of capital protection is maintained or improved? Even if you're NOT comfortable with financial terminology, you certainly can compare the numbers on the abbreviated annual statements that the institutions themselves make available, to see if they're going up or down from year to year (you can request the annual financial statement for prior years).

But don't use these measurements as the only indicators. Try to obtain additional information from the third-party category described earlier (rating companies, publications, etc.). If you still don't like what you see after your comparison efforts, ask the institution for more information, although anything beyond what we've described is usually hard to come by.

Now, with all of this voluminous (or so it seems) information available, what if you are still not satisfied that you know whether your bank is healthy or not? And what about those of us who really are not comfortable with numbers, and even if we're okay with them, can't fully understand the information available? Simple: just make sure your funds are fully insured - that you don't have more than $100,000 in any one ownership capacity (e.g., single or joint) in the same bank (including its branches) and sit back and RELAX. You won't lose any of it if the worst - your bank fails - should happen.

The bottom line (that's a financial term we ALL understand): There is NO surefire way to predict when or if a bank will fail; even the closing authorities have had to deal with occasional surprises over the years. And by ensuring that your deposits are fully protected by FDIC insurance, you've really done all you have to do.

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Your Finances: Nobody Else's Business?

Inquiring minds want to know more about you. Here's a guide to who can and cannot see your banking records

Illustration by: T. W. Ballard

If you think details of your personal finances are only of interest to some of your nosier relatives, think again.

■ You've applied for a loan, a job or an apartment. Wouldn't the people involved want to know if you have a history of bad loans, bounced checks or other mischief? Can they find out from your bank?

■ You're involved in a dispute with people who look into your financial dealings or want to know if you have "deep pockets" that would make a lawsuit worth pursuing. Can they comb through your banking records?

■ Manufacturers, stores and other companies all over America want to know more about the products and services you (and millions of others) will buy. Can they look at your credit card or checking account transactions to get an idea about where you shop and how much you spend?

Nowadays, the demand for information is so great – and so much of it can be gained, altered or deleted thanks to computers – that financial privacy has become an important issue facing Congress, the courts and other government authorities. David Medine, Associate Director for Credit Practices at the Federal Trade Commission's Bureau of Consumer Protection, recently summed up the situation: "The challenge today is two-fold: to ensure that our laws are adequate to protect consumers' privacy in the face of an ever escalating technological revolution, and to ensure that the increasing amount of financial information compiled on consumers is accurate."

FDIC Consumer News has assembled the following overview of some frequently asked questions about who, by law, can get information about you from your bank, and what they can or cannot do with that information.

But first, two notes of caution: (1) Privacy issues are highly complex and often subject to dispute, so this summary should not be relied on as a legal interpretation. (2) *DON'T PANIC.* As a general rule, most people don't have problems with the privacy of their financial records, and there are legal safeguards and banking industry practices to promote confidentiality.

ACCESS BY PRIVATE CITIZENS

Can your bank release aspects of your records to private firms or individuals?

Banks, as a matter of their protection and yours, typically won't release anything about you to a private citizen or company without your written consent or unless it is authorized by a particular law or court order. Although there's no federal law prohibiting the bank from releasing the records, many state laws say you first must be notified of such requests and give your approval. Private citizens and organizations *can* get key financial information about you ***indirectly***, though, from credit bureaus and similar private reporting agencies that are authorized by law to obtain details about you from your bank, savings association or credit union.

What are credit bureaus and credit reports?

Credit bureaus have various functions, but they primarily gather information about individuals for use in reports to lenders, employers and others who have a legitimate need to know about that person's financial reliability. A credit report will contain such things as: how much you charge each month on your credit cards and how well you pay them back; how long you've worked for the same employer; and whether you've recently filed for bankruptcy or been sued or convicted. ***Credit reports do not include information about how much money you have in your checking, savings or investment accounts.*** Remember, the reports are intended to give an idea of how reliable you are, not how rich you are or how you deposit or invest your money.

Can ANYONE get a credit bureau's report on you?

No. The Fair Credit Reporting Act of 1970 says you're entitled to see your report if you request it in writing, but for anyone else to get it either: (1) a court or federal grand jury must order the release of the information; (2) a third party asks for it in connection with an application you filed for a loan, a credit card, a job, insurance or a government license that requires details of your finances; or (3) the person making the inquiry has a legitimate need for the information as part of a business transaction involving you, such as an application you've made for an apartment.

Credit reports also can be used to a limited extent in other areas, such as to help a bank decide which consumers should receive unsolicited offers of a credit card, a practice called "prescreening." Credit bureaus also can compile addresses and phone numbers and sell this information to companies or charities that may want to solicit your business, but cannot provide them your actual credit report with specific financial information about you or your borrowing and spending habits. There are, though, some "gray areas" that Congress, the Federal Trade Commission, consumer organizations and others are looking into. For example, Congress is considering giving the consumer the right to instruct a credit bureau not to provide his or her name, address or phone number to business marketers or charities.

Congress also is looking into new restrictions on so-called "resellers" of consumer reports. These are private services that purchase credit reports and then resell them to people who don't have a right to see this information. To prove how easy it can be for someone to get personal details through such services, journalist Jeffrey Rothfeder has written about how, using his personal computer, he got former Vice President Dan Quayle's credit report ("He shops at Sears a lot, hardly ever at Brooks Brothers"), Dan Rather's credit transactions for a month, and, as a bonus, Vanna White's home phone number for free.

(Continued on next page)

If a credit reporting agency provides a consumer report for an impermissible purpose, you can file a lawsuit and, if you win, recover damages and legal costs. There also have been news reports of data being obtained from credit bureaus by theft and fraud, an area that the companies are clamping down on.

What if the credit bureau is giving out wrong or obsolete information?

Despite all the best intentions of the people who supply and collect the data, mistakes do happen. It's important that errors are corrected, because they can result in a loan being rejected, a job opportunity lost or other problems. The Fair Credit Reporting Act gives you specific rights and protections to ensure that what is being said about you is accurate and up-to-date. Generally, most information on your credit history must be deleted from your credit report after seven years, although a bankruptcy could be reported for 10 years.

If you've been denied credit, insurance or employment because of information contained in a consumer report, you must be notified of that fact, and you are entitled to a free copy of that report if you request it from the credit bureau within 30 days. If you dispute the information in the report, the credit bureau must investigate. And if your credit report gets changed as a result, the law allows for the revised report to be sent to people who had received the earlier version.

Most experts recommend that everyone should get a copy of their credit report about once a year, just to keep an eye on things. Where do you ask? Many credit bureaus around the country can be collecting and reporting information about you, but the three largest firms most likely to have your report are: Equifax Inc. ($8 per copy, 1-800-685-1111); TRW Credit Data Services (one free copy per year, 1-800-422-4879); and Trans Union ($8 per copy, 1-800-851-2674 or 312-408-1400). The names of similar companies in your area can be found in your telephone book, under headings such as "credit reporting agencies." Among the consumer protections Congress is considering: making it easier or cheaper for you to get a copy of your own report, and imposing tougher penalties on companies that supply inaccurate information to a credit bureau.

What if you have a problem involving a credit bureau?

If you can't resolve the matter with the company directly, write to the Federal Trade Commission, Correspondence Branch, Washington, DC 20580. Or you can call the FTC at 202-326-3758.

ACCESS BY THE GOVERNMENT

What records can a financial institution give to the government?

The average citizen's banking records ***are*** sometimes obtained by the government. Even if you're squeaky clean, the government has a right to review your records as part of an investigation of someone else.

As you'd probably expect, if a federal law enforcement agency like the FBI suspects someone of illegal activity, it may want to look at income sources, checks written, debts and transactions that could help prove or trace a crime. Bank regulators also can look at your records as part of an examination of how properly and safely your banking institution is operating. But the bottom line is this: if you've done nothing wrong, you really shouldn't worry.

In general, the Right to Financial Privacy Act of 1978 (RFPA) prohibits a bank, savings association or other financial institution from giving a government agency access to your banking records unless you authorize the release of the information or there is a subpoena, search warrant or other request authorized by law. In most cases, you first must be notified of the request ***and*** be given the opportunity to approve the release of the information or seek a court order blocking it. Under certain circumstances, such as a criminal investigation, the bank can provide your records to the government without notifying you.

Note: The RFPA specifically covers the release of bank records to a federal agency and, in limited instances, to a state agency. For the most part, though, state laws and your bank's own policies would govern the release of records to state and local agencies.

Can a government agency share your records with others?

With another government agency? Generally, yes, if the information would assist in a legitimate law enforcement investigation. Depending on the circumstances, you may or may not get advance notice. Much also would depend on the kinds of records involved and whether they come under separate consumer protections. As for sharing the information with a private firm or individual, the answer for the most part is "no," unless you give written consent first.

What if you suspect your banking records have been released to the government improperly?

The FDIC and other regulators may be the first to spot a problem in their regular examination of the institution, such as if the bank released a document before giving the required advance notice. You, too, can do some investigating. A financial institution must keep a record of the disclosures of customer information, and generally, you have a right to obtain a copy of the record if the disclosure involves you.

If you find or suspect a problem, bring the matter to the attention of the financial institution or the government agency in question. If you're still not satisfied, contact the banking institution's primary federal regulator listed on Page 11 of this newsletter, or your state's banking regulator or Attorney General, which should be listed with the other state offices in your telephone book.

News Briefs

Mutual Funds

Despite a blitz of educational efforts by regulators, the media and others, some consumers and bankers are still confused about what bank products are - or are NOT - insured.

To help remedy that problem, the FDIC will soon publish a booklet (based on the article in the Winter 1994 issue of the *FDIC Consumer News*) explaining that investment products (mutual funds, stocks, bonds, annuities) are not insured. The booklet also discusses insurance as it relates to Treasury securities and safe deposit boxes.

For a free copy, write: FDIC, Room 7118, Washington, DC 20429.

Lending Discrimination

You may have been the victim of lending discrimination and not even have known it. That's because you may have been unaware of certain practices that are considered by regulators to be discriminatory. To deter institutions from continuing such practices, the bank and thrift regulators recently adopted a joint policy statement for detecting and preventing discrimination.

One example of the barred practice that appears in the policy statement: A lender tells minority loan applicants it would take several hours and an application fee to determine whether they'd qualify for a home loan, but non-minority applicants are qualified in minutes and without a fee.

"Consumers who have been the victims of discrimination may not realize it because they were treated in a friendly manner," says Robert Mooney, fair lending specialist in the FDIC's Office of Consumer Affairs. "The new policy statement explains the many forms subtle discrimination can take."

FDIC Joins Internet

If you have access to the worldwide computer network called Internet, you now also have electronic access to the FDIC and many of the consumer publications we issue.

Since April, users of Internet have been able to call up on a computer screen the text from *FDIC Consumer News* as well as various consumer pamphlets issued by the agency. Soon, FDIC economic reports, press releases and other publications will be available on Internet, as well as electronic message delivery to and from the FDIC.

Internet users can find the FDIC's offerings through the "file transfer protocol" (Internet ftp address: ftp.sura.net, then change to the /pub/fdic directory) or through "gopher" (address: fdic.sura.net 71).

The Mailbag

A new feature in *FDIC Consumer News:* Answers to your questions about deposit insurance and other consumer protections

Joint Accounts

Q: If my husband and I have a joint account in a bank with $100,000, can I have a joint account with my daughter in this same bank for $100,000 and still have each account FDIC-insured for $100,000? Also, if I understand *FDIC Consumer News* correctly (Fall 1993), my bank's records could be changed to clearly indicate that the funds are individually owned and that the other person was authorized to withdraw funds on the owner's behalf. But my bank says that cannot be done. Can you help?

– North Providence, RI

A: As for your first question, under the insurance rules these two joint accounts ***are*** separately insured to $100,000 each because: (1) they are jointly owned by different groups of people, and (2) your husband and daughter's half shares of the accounts each equal $50,000, while your interests equal $100,000, since you own half of each of the two $100,000 accounts.

You're also correct that one or both of these joint accounts can be changed to individual accounts that permit one person to withdraw funds for the other, such as if the owner becomes ill. But for the account to be considered individually owned for insurance purposes, the second person must have a "power of attorney" to act on behalf of the account owner *or* the account records must clearly indicate that this second person is an "authorized signer" for convenience purposes only. The deposit records must clearly indicate that the second signer is not a co-owner. Otherwise, the account would be considered a joint account.

Banks vs. Branches

Q: I have $100,000 in one bank and $100,000 in another bank. Am I covered by federal insurance for $100,000 in each bank?

– East Boston, MA

A: Yes, the $100,000 insurance limit applies to funds held in each separately chartered and insured institution, without regard to deposits in any other separately chartered and insured institution.

Many depositors also are confused about the difference between a bank and a branch when it comes to their insurance coverage. Be aware that ***a bank's main office and all branches of the same bank are considered one institution,*** not separate institutions that provide separate insurance coverage.

Cashier's Checks

Q: If I have under $100,000 in a bank account insured by the FDIC and I withdraw it in the form of a certified bank check, is the money insured by the FDIC while in transit to be deposited in a second bank?

– Holt, MI

A: A cashier's check, bank check or other official check issued to you is still considered a deposit at the original bank until it is deposited with another bank ***and the check "clears" through the payment system.*** This means that if you deposited the cashier's check from Bank A into Bank B, but Bank A fails before it is finally paid (cleared), the money would still be considered as being on deposit at Bank A. This could be important, because if you still had other funds at Bank A, your total could be over the $100,000 insurance limit. If, on the other hand, the cashier's check was finally paid before Bank A failed, your funds would be considered part of your account at Bank B, and the closing of Bank A wouldn't affect that money.

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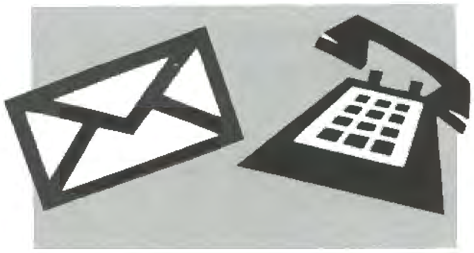
Got a question about banking or deposit insurance you'd like answered in this column? Send it to *FDIC Consumer News,* Office of Corporate Communications, 550 17th Street, N.W., Washington, DC 20429. We'll answer as many as possible.

For More Help

The FDIC offers protection to consumers by insuring deposits up to $100,000. The FDIC, as well as other regulatory agencies, enforces rules that promote sound banking practices, compliance with consumer protection and civil rights laws. These protections include: prohibitions against discriminatory lending practices; initiatives to prevent unfair or deceptive practices in deposit taking or lending; and rules that encourage institutions to meet local credit needs.



For questions about deposit insurance coverage: Contact the FDIC at the appropriate regional office of the Division of Supervision, or the FDIC's Office of Consumer Affairs, listed below.

For questions about consumer or civil rights laws, or complaints involving a specific institution:

First attempt to resolve the matter with the institution.
If you still need assistance, write to the institution's primary regulator listed on this page. Although the FDIC insures nearly all banks and savings associations in the United States, the FDIC may not be the primary regulator of a particular institution.

Federal Deposit Insurance Corporation

Supervises state-chartered banks that are not members of the Federal Reserve System. Operates the Bank Insurance Fund and the Savings Association Insurance Fund.

Office of Consumer Affairs
550 17th Street, N.W.,
Washington, DC 20429
Phone 800-934-3342 or
202-898-3773

Atlanta Region (Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia):
245 Peachtree Center Avenue, NE,
Atlanta, GA 30303

Boston Region (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont):
200 Lowder Brook Drive,
Westwood, MA 02090

Chicago Region (Illinois, Indiana, Michigan, Ohio, Wisconsin):
30 S. Wacker Drive, Suite 3100,
Chicago, IL 60606

Dallas Region (Colorado, New Mexico, Oklahoma, Texas):
1910 Pacific Avenue, Suite 1900,
Dallas, TX 75201

Kansas City Region (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota):
2345 Grand Avenue, Suite 1500,
Kansas City, MO 64108

Memphis Region (Arkansas, Kentucky, Louisiana, Mississippi, Tennessee):
5100 Poplar Avenue, Suite 1900,
Memphis, TN 38137

New York Region (Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania, Puerto Rico, Virgin Islands):
452 Fifth Avenue, 19th Floor,
New York, NY 10018

San Francisco Region (Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming):
25 Ecker Street, Suite 2300,
San Francisco, CA 94105

Some banking matters may involve state laws. For assistance on these matters, please contact the appropriate state financial institution regulatory agency or state Attorney General's office. These state offices usually are listed in your telephone book and other directories.

For information about credit unions, contact the National Credit Union Administration, Office of Public and Congressional Affairs, 1775 Duke Street, Alexandria, VA 22314-3428. Phone 703-518-6330.

Office of the Comptroller of the Currency

Charters and supervises national banks. (Often the word "National" appears in the name of a national bank, or the initials "N.A." follow its name.)

Compliance Management Division,
250 E St., S.W., Washington, DC 20219
Phone 202-874-4820

Federal Reserve System

Supervises state-chartered banks that are members of the Federal Reserve System.

Division of Consumer and Community Affairs,
20th Street and Constitution Avenue, N.W.,
Washington, DC 20551
Phone 202-452-3693

Office of Thrift Supervision

Supervises federally and state-chartered savings associations as well as federally chartered savings banks. (The names of these institutions generally identify them as savings and loan associations, savings associations or savings banks. Federally chartered savings associations have the world "Federal" or the initials "FSB" or "FA" in their names.)

Consumer Affairs Office,
1700 G Street, N.W.,
Washington, DC 20552
Phone 800-842-6929 or
202-906-6237

Coming in the Next Issue...

- ***How senior citizens and young adults can be smarter and safer banking customers...***

- ***Who to contact at the FDIC for help and information related to closed banks...***

Read the next issue of FDIC Consumer News for news and information on these and other topics of interest to consumers from the Federal Deposit Insurance Corporation.

Please Write!

Is there an issue you'd like addressed or a question you'd like answered in *FDIC Consumer News*? Please send your thoughts and suggestions to:

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Senior Writer-Editor
Office of Corporate Communications
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, DC 20429

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