PREMIER ISSUE

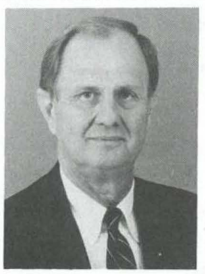
FDIC Consumer News

INSIDE

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

FALL 1993 VOLUME 1, ISSUE 1

A Note to Readers



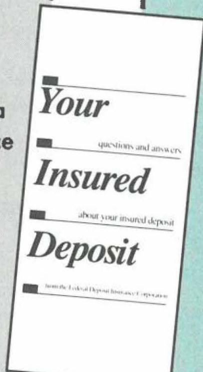
Welcome to the first issue of *FDIC Consumer News*. We believe this quarterly publication will quickly become an important part of the FDIC's efforts to educate bankers, consumers, FDIC employees and others about the latest regulatory developments. Of course, we'll highlight the news and issues most closely associated with the FDIC, such as deposit insurance coverage. But we'll also cover a wide range of topics of interest to consumers.

You'll see in our first issue, for example, a look at the 10 most common misconceptions about the deposit insurance rules that have cost consumers money; our efforts to increase lending to low- and moderate-income neighborhoods; new government programs to take some of the confusion out of shopping for banking and investment products; and an item on flood insurance for borrowers. And as noted on Page 12, if ***you*** have ideas for topics to address, please let us know. We look forward to hearing from you and we look forward to counting you among our readers.

Andrew C. Hove, Jr.
Chairman of the Board
Federal Deposit
Insurance Corporation
Washington, DC

New Insurance Booklet Available

The 1993 version of the FDIC booklet "Your Insured Deposit," a broad description of the insurance rules, is now available to consumers free of charge from banks and savings associations, and from the FDIC's Office of Consumer Affairs (see Page 11 for the address and phone numbers). A Spanish version also will be available.



SPECIAL REPORT: Deposit Insurance

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- ***The Top 10 Mistakes That Cost Depositors Money...Pages 6-7***
- ***Advice on When to Review Your Deposit Insurance Coverage... Page 8***

Regulators Tackle Concerns about Access to Loans and Other Services

■ What more can be done to make sure that low- and moderate-income neighborhoods don't get shortchanged when it comes to getting loans and other banking services?

■ What new tools could be used to help prevent discrimination against minorities who apply for home loans?

■ How can the government encourage more lending to small businesses and small farms in areas of the country facing tough times economically?

These are among the main issues facing the FDIC and the other federal regulators of banks and savings associations. Some new programs and procedures have been announced, while others are under consideration. They generally fit into these categories:

FDIC Chairman Andrew C. Hove, Jr., (second from left) tells a congressional committee in September about the latest efforts to encourage lending in low- and moderate-income areas. (L-R:) John P. LaWare of the Federal Reserve Board; Chairman Hove; Christopher Kerecman of the National Credit Union Administration; and Eugene A. Ludwig, Comptroller of the Currency. (Photo by Cherie Umbel)

■ Improving enforcement of the Community Reinvestment Act (CRA).

That's a 1977 law that encourages banks and thrifts to help meet the credit needs of all segments of their communities, including low- and moderate-income neighborhoods. The agencies held seven hearings around the country during August and September, where more than 250 witnesses representing consumers, bankers and other organizations offered suggestions for making the CRA work better. The hearings were a result of President Clinton's request in July that the agencies develop better CRA regulations and procedures by January 1, 1994.

The regulators are focusing on issues like eliminating unnecessary paperwork for lenders and imposing tougher penalties on banks and savings associations that have poor marks under the CRA.

■ Strengthening programs against racial discrimination, other unfair lending practices.

The four federal banking agencies have many improvements under way. In May, for example, FDIC Chairman Andrew C. Hove, Jr., announced that all FDIC policies and programs for preventing and correcting loan discrimination would be reviewed.

Among the ideas under consideration is the use of "testers" – people who would work on behalf of the FDIC posing as loan applicants in order to check for possible discriminatory treatment. The FDIC also is considering providing written guidelines to banks that are interested in their own testing programs. Final recommendations from the FDIC are expected soon.

Together, the four agencies in May issued a letter to the chief executive officers of all banks and savings associations, pledging tougher enforcement of fair lending laws and offering specific suggestions that institutions could put to use.

■ Easing regulations that indirectly discourage lending to small businesses and small farms.

Over several months, the four agencies announced a long list of decisions to reduce paperwork and other requirements that may have added costs and delays to loan approvals.

For more information about the government's programs in these areas, or to offer ***your*** suggestions for improvements, contact one of the four bank and savings association regulatory agencies listed on Page 11.

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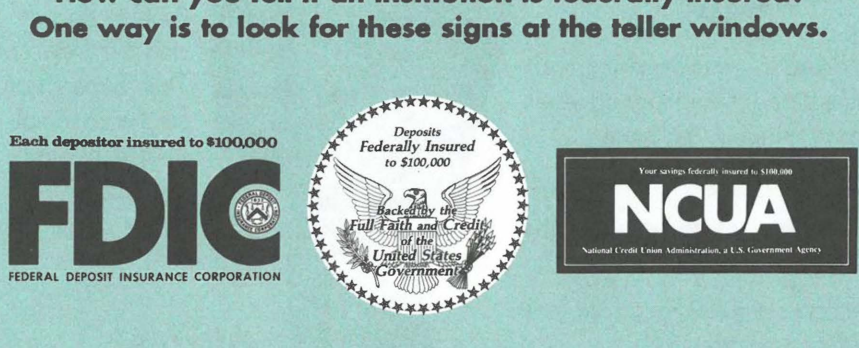
In Henderson, NC, Andrea Harris of a North Carolina institute for minority economic development and David Harris of a nonprofit law firm representing family-owned farms urged new approaches to small business lending during the September hearing on improving the Community Reinvestment Act. (Photo by Ricky Stilley)

Signs of Safety

How can you tell if an institution is federally insured? One way is to look for these signs at the teller windows.



The signs on the left and in the center are displayed at FDIC-insured institutions. The sign on the right is found at credit unions insured by the National Credit Union Administration.

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

Deciphering the Small Print ...

New disclosures shed light on deposit accounts, bank mutual fund sales

Deciding whether a particular deposit or investment may be right for you isn't easy. Just read the financial ads, walk through a bank lobby, open your mail, call a financial advisor or talk to some of your "rich" friends, and you can come up with a hundred different recommendations, each with its own risks and rewards. But two recent developments from Washington could help eliminate some of the confusion.

■ The Truth-in-Savings Act, which went into effect June 21.

This law is intended to make it easier for you to comparison shop before you open a deposit account at a bank, savings association or credit union. The law requires certain uniform disclosures, most importantly of the account's annual percentage yield (APY).

The APY reflects the *total* amount of interest being paid, based on an annualized interest rate and the frequency of any compounding. Let's say two banks are offering the same 5 percent interest rate on a savings account but they use different compounding methods. The APY will tell you how exactly what the difference would mean in terms of the money you'd earn. The APY will be included in advertising, in the information banks provide before an account is opened and in the periodic statements mailed to account holders.

The new law also prohibits practices considered to be misleading, such as advertising "free checking" even if fees or minimum balance requirements apply.

■ Scrutiny over bank sales of mutual funds.

More banks and savings associations are offering customers the option of putting money into stock or bond mutual funds, annuities and other products that are not protected against loss by FDIC insurance.

But Congress and federal regulators are concerned that bank customers may mistakenly think that because the product is sold at an insured institution, the money is somehow guaranteed by the FDIC or the bank. They want customers to be fully aware of the risks involved in these investments.

As a result, guidelines for how these investment products are advertised and sold have been issued by the FDIC, the Office of the Comptroller of the Currency, the Federal Reserve Board and the Office of Thrift Supervision for the financial institutions they regulate.

■■■

Are You Covered? A Guide to Deposit Insurance Rules

Most depositors know that the FDIC insures bank and savings association accounts up to $100,000. But beyond that, there is a lot of room for confusion. The result: some - or all - of the deposits over the insurance limit could be lost if a bank or savings association fails. Federal Reserve Board staff estimate that consumers have nearly ***$300 billion above the insurance limit*** at FDIC-insured institutions. That's about 18 percent of total consumer deposits.

Uninsured deposits are becoming more of a problem for consumers because of a 1991 law that limits the FDIC's options for handling bank failures. As a result, uninsured depositors lost money in nearly half of all the bank failures in 1992, compared to less than 15 percent of the bank failures in previous years. We're also very concerned about the increased number of depositors' complaints that bank personnel gave them wrong information about their insurance coverage.

To help depositors, bankers and others better understand the insurance rules, including some new regulations about to take effect, ***FDIC Consumer News*** presents this four-page guide.

■■■

A Quick Overview of the New Changes

Important: Most of the FDIC's rules on deposit insurance coverage ***have not changed***. The rules ***have*** changed, however, for certain types of retirement and other employee benefit plan accounts. So pay attention if you have any of these types of accounts at a federally insured bank or savings association:

1. An Individual Retirement Account (IRA);

2. A "self-directed" Keogh Plan account. A Keogh is a retirement account for someone who is self-employed or who works for people who own their own business (Self-directed means each individual decides where to invest the funds deposited in the account.);

3. A self-directed defined contribution plan account, typically, a 401(k) plan;

4. A "457 Plan" account (a deferred compensation plan established by state and local governments and not-for-profit organizations); or

5. A pension, profit-sharing or other employee benefit plan account (usually an account established by a company for its employees where the funds of all employees who contribute are combined and managed by a trustee or administrator).

■ One ***big change*** affects the first four types of accounts on this list: Before the new law takes effect December 19, 1993, your funds in ***each*** of these four types of accounts are separately insured up to $100,000. After that date, your funds in ***all*** of these four types of accounts will be added together for insurance purposes, and the ***total*** will be insured up to $100,000.

So you say you don't have funds in any of those types of accounts, or you only have funds in one of those types of accounts? That's fine, but you should know about the rule changes because you may have these types of accounts in the future, or you can even pass along the information to someone who might need to know.

Note: A certificate of deposit (CD) or any other time deposit established before December 19, 1993, will continue to be insured under the ***old rules*** until the deposit's first maturity date after December 19, 1993.

■ Another big change applicable to most retirement and other employee benefit plan accounts has to do with "pass - through" insurance. Let's take the example of a pension or profit-sharing plan account, which often has a balance that exceeds the insurance limit of 100,000. Generally, each participant in the account, rather than the total account balance, is insured up to $100,000. This is called "pass - through" insurance, because the insurance "passes through" to each individual participant.

(Continued on page 8)

The Top 10 Mistakes That Cost Depositors Money... and How to Avoid Them

Three sisters each had nearly $100,000 on deposit in separate certificates of deposit (CDs) at the same savings association. They were elderly and wanted the two other sisters to have access to their money in case of an emergency. So, each added the two other sisters' names to her account. Unfortunately, what may have seemed a simple paperwork change proved to be a very costly mistake when their savings association failed in 1991.

When they made these changes, the sisters' original single ownership accounts became joint accounts, reducing their maximum deposit insurance coverage to $100,000 ***in total***, down from $300,000 ($100,000 for each single ownership account). That's because joint accounts ***owned by the same group of people*** are protected to just $100,000, ***no matter how many people or accounts are involved.*** If the deposit account records were changed to clearly indicate that the funds were individually owned and that the other sisters were only authorized to withdraw funds on the owner's behalf, the deposits would have remained separately insured. The sisters would not have lost approximately $200,000, including the interest they'd accumulated.

Regrettably, true stories such as this are fairly common, partly because many depositors simply don't think about the insurance implications of a particular situation. Minerva Mundo-Mundo, an insurance claims specialist with the FDIC's Division of Depositor and Asset Services in New York City, says, "You may go into your local bank and ask the account officer, 'May I open an account that does this and that?' Your banker answers, 'Yes,' and from a legal perspective, the banker may be correct. But the main issue and question that many people should ask is, 'Will this account be fully protected by deposit insurance?'"

The Top 10 Pitfalls

To help depositors avoid repeating the mistakes of others, ***FDIC Consumer News*** has compiled the "Top 10" situations where depositors have lost money. By far, joint accounts appear to present the most problems. Also high on the list: revocable trust accounts that don't receive separate insurance coverage because the depositor listed a beneficiary who doesn't qualify under the rules.

This informal survey, based in part on discussions with FDIC staff specialists nationwide, shows these to be the most common errors:

1. Overestimating the insurance coverage of joint accounts.

Many depositors mistakenly believe that if two people share a joint account, the account is insured to $200,000 ($100,000 for each person). But under the rules, and these rules have been in effect for many years, no joint account can be insured for more than $100,000, no matter how many names are on the account.

Many people also think that if they own a lot of joint accounts, they have almost unlimited coverage, but that isn't so. The fact is, under the rules, all joint accounts you own with the same combination of people are added together and the ***total*** is insured only to $100,000, no matter how many people are involved or how much money is on deposit.

2. Believing that the order of names or Social Security numbers can increase the coverage.

Many people incorrectly think that if the husband's name and Social Security number are listed first on one joint account and the wife's name and Social Security number are listed first on another joint account, each account will be insured separately to $100,000. Or they mistakenly believe if they use the word "or" between the names instead of "and," each person on the joint account will qualify for $100,000 of coverage. None of these devices increases coverage.

3. Incorrectly changing an account to handle emergency situations.

As with the case of the three elderly sisters discussed previously, many depositors want to give someone else the right to withdraw from their account on their behalf and as a convenience, ***but*** they fail to make this relationship clear on the bank's records. This mistake could reduce the original owner's insurance coverage.

4. Listing "non-qualified" beneficiaries for revocable trust accounts.

These accounts (also known as testamentary, payable-on-death, tentative or Totten trust accounts) give you the use of the money during your lifetime as the account owner, but the funds pass to specific beneficiaries when you die. These accounts are insured separately from any individual or joint accounts that you or your beneficiaries may have in the same institution, but ***only*** if the beneficiary is a spouse, child, grandchild, step-child, step-grandchild or adopted child or grandchild. If you listed a mother, father, aunt, uncle, cousin or sibling as a beneficiary, this account would not receive separate insurance and would be combined with your other accounts, most likely your individual accounts. The result could exceed $100,000 and therefore the insurance limit.

5. Third-party deposits without your knowledge.

An attorney, real estate agent or some other person handling funds on your behalf could unknowingly make a deposit into an escrow-type account at an institution where you already have accounts. If the institution fails, those deposits would be combined with your other accounts and perhaps put you over the $100,000 limit. If you think a third-party deposit is going to be made, find out where and head off any problems.

6. Believing that interest earned is separately insured.

Many people think that if they deposit $100,000 into a CD and it earns, say, $5,000 of interest, each portion would be separately protected. But under the rules, principal and interest are added together and insured to $100,000 in total.

7. Not adjusting accounts after a depositor dies.

Under the rules, for example, a joint account for a husband and wife automatically could become the surviving spouse's money when the other dies. That could put the survivor's individual accounts over the insurance limit, adding a financial hardship to the grief already being suffered.

8. Not allowing for checks to "clear."

Often if customers hear reports that an institution is about to fail, they attempt to bring their accounts below the insurance limit by obtaining a "cashier's check" or some other "official check." But until that check is cashed elsewhere and is "cleared" through the payment system, no withdrawal has taken place. "Depositors mistakenly believe that once this check is in their hands, they're okay," says Paul M. Drago, an assistant regional manager in the Division of Depositor and Asset Service's Chicago office. A similar situation occurs when depositors write checks on their account at a failing bank and incorrectly assume they're safe just because they've deducted the money in their checkbook.

9. Thinking that deposits of a "sole proprietorship" are insured separately from the business owner's personal accounts.

A sole proprietorship is a business that is owned by just one person rather than a corporation. Many small stores and service companies are sole proprietorships. Owners of these companies often assume that their business accounts are insured separately from their personal funds. But under the rules, sole proprietorship accounts are added to any personal accounts the owner may have at the same institution, and the total is insured to $100,000.

10. Assuming that business accounts for different purposes are separately insured.

Many business people mistakenly believe that if their company has different accounts for different purposes, such as a general business account, a payroll account and a tax account, each one is separately insured. But all accounts of the same business (except for funds put into employee retirement accounts) are considered accounts of the same entity and are insured under the same $100,000 ceiling.

Final Advice

Wayne Ness, an assistant director of the Division of Depositor and Asset Services in Washington, offers this final advice: "If you've got more than one account at an institution and you have more than $100,000 on deposit there, including any accrued interest, we strongly advise you to read the FDIC's 'Your Insured Deposit' pamphlet. If you're still uncertain after that, call or write to the FDIC for some guidance. It's possible that your deposits are fully insured, but it can't hurt to check."

(Note: Where can you get help? See the list of FDIC offices and the states they cover on Page 11.)

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A Check List for When to Review Your Deposit Insurance Coverage

A one-time checkup on your deposit insurance coverage isn't enough. What if you inherit money? Or sell your house? Or even win the lottery? You don't have to be rich and famous for some event in your life to put your funds over the $100,000 insurance limit.

"Nearly everyone should review their account balances and the insurance rules periodically, to make sure a change in one or the other doesn't leave them with uninsured funds at a failed institution," says Claude A. Rollin, a senior counsel in the FDIC's Legal Division in Washington. Here are some suggestions from Rollin and others at the FDIC as to when to review your insurance status:

✔ After the death of a loved one.

The ownership of certain accounts changes automatically upon death. For instance, if your husband or wife dies, certain joint accounts you had with that person would, under most state laws, automatically be reclassified as being owned only by you. That could put you over the $100,000 insurance limit for individual accounts. Likewise, if you were to inherit a significant amount of money, such as from a life insurance policy, and all of it was deposited in your name alone at an institution where you already maintain accounts, your funds at that institution could go over $100,000.

✔ If some other large "windfall" comes your way.

If you've just sold your house and deposited the proceeds until you buy another house, or if you've received a large payment from a trust or a pension, some of your funds could be over the insurance limit. One possible solution is to ask for large payments in more than one check, each for less than $100,000, and then to deposit these checks in different insured institutions.

✔ If you own accounts at two institutions that merge.

If one of your banks fails and is merged with another where you also have an account, or if two healthy institutions where you have accounts agree to merge, funds that once were separately insured could be combined under the insurance rules and put you over the $100,000 limit. There is time to remedy such a situation, however. The rules provide for "grace periods," so that any change in insurance coverage is not immediate. As a general rule, most accounts (like regular checking and savings accounts) you had at one institution would continue to be insured separately from those at the other institution for six months. If your money was in a certificate of deposit (CD), separate insurance coverage could be even longer than six months, depending on the CD's maturity date.

✔ If Congress revises the insurance rules.

In 1991, for example, Congress passed a law that imposes new restrictions on the coverage of retirement accounts beginning on December 19, 1993 (see Page 5 for more details). If you have an account that may be affected by a rule change, you should get a notice from your bank or savings association before the change takes effect.

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(Continued from page 5)

Now here is the important change, which took effect December 19, 1992. Pass-through insurance will be provided on retirement and other employee benefit accounts **only** if the bank or savings association where the plan deposits are maintained meets one of two conditions:

1. The institution must be "well-capitalized" under government standards; or

2. It must be "adequately capitalized" under those standards *and* meet one of two additional conditions.

How do you know if your funds in these accounts are fully insured? If it's an employee benefit plan account, talk to your plan administrator. It's difficult for a consumer to know whether his or her bank or savings association meets the criteria for pass-through insurance. Public information from the government about a bank's financial condition is limited, but customers can request a Report of Condition and Income, which banks file quarterly. Write to the Disclosure Unit, FDIC, 550 17th Street N. W., Washington, DC 20429. There is a $6.00 charge for each report, and a bill will be sent along with the report.

■ In another change, deposit insurance coverage has been eliminated for certain Bank Investment Contracts (BICs), a type of interest-paying account typically acquired by pension funds.

■ Another rule change affects customers who have individual and trust accounts at the same institution. Beginning December 19, 1993, personal accounts and certain fiduciary accounts (such as funds held in escrow by a mortgage lender for taxes and other payments) will be combined under a single $100,000 limit. Irrevocable trust accounts will continue to receive separate insurance, however.

"Now more than ever, consumers need to give thought about where their hard-earned retirement and pension money should be placed and whether their deposits are fully insured," says Janice M. Smith, director of the FDIC's Office of Consumer Affairs in Washington. "Consumers shouldn't be shy about discussing these matters with their bankers, financial advisors and employers."

This is a very brief overview of some complicated changes in the deposit insurance rules. For more information about your own accounts, contact your financial institution and ask for a copy of the new 1993 edition of the FDIC's publication, "Your Insured Deposit," or contact the FDIC.

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America's Most Wanted (Depositors)

New law provides more time to unravel the mystery of unclaimed deposits at failed banks

A new law could go a long way toward protecting consumers who, for one reason or another, do not claim their insured deposits after their bank fails and therefore run the risk of forfeiting the funds.

The FDIC protects depositors at failed banks and savings associations by quickly paying out their insured funds or transferring their accounts to a healthy institution. Within days of the closing, almost all depositors claim and receive their funds. But some depositors never show up or contact us about how, when and where to get their money. As a result, each year thousands and sometimes millions of dollars of insured deposits in failed institutions go "unclaimed" and eventually are forfeited.

The new law, though, helps these depositors by giving them far more time to claim their money than the 18 months previously allowed. In certain cases, the new law will allow depositors to claim their funds up to 11 1/2 years after the bank fails.

FDIC Consumer News, in interviews with FDIC staff members around the country, found these to be among the most common reasons why deposits at failed institutions go unclaimed:

■ **The depositor has forgotten about the money.**

This does happen. Maybe the person long ago moved away and didn't close the account or leave a correct forwarding address. Consumers sometimes misplace banking records or put them in a safe deposit box and forget about them.

■ **The consumer is unaware of the deposit.**

Perhaps it is an inheritance the person didn't know about, or an account the parents or another relative opened for him or her as a child.

■ **The depositor is unaware that the institution failed.**

He or she may now live far away, perhaps out of the country, and not receive the FDIC's mailings or read in the newspaper about the bank failure.

■ **The depositor died and the heir cannot be located.**

Minerva Mundo-Mundo, an insurance claims specialist with the FDIC Division of Depositor and Asset Service's office in New York City, adds that the new law could be particularly helpful for anyone who assists with the financial affairs of deceased or ailing friends or relatives. "It gives you greater protection should a loved one pass away and then years later you become aware of funds that person had on deposit," she says.

Under the new law, depositors at institutions that failed on June 28, 1993, or later, will have 18 months to claim their funds from the FDIC or from the acquiring institution. However, after that, depositors will have an additional 10 years to claim their insured deposits from the state government if the state has agreed to accept the deposits and process the claims. If the state does not accept the deposits, the consumer must claim his or her funds from the FDIC before the agency "closes the books" on the failed institution. That typically is three-to-five years after the institution fails.

The new law also provides some help for depositors at institutions that failed between January 1, 1989, and June 27, 1993. These depositors will have the same approximately three-to-five years to claim their funds from the FDIC, not the 18-month period under the old law.

For more information, contact your state office of consumer affairs (usually listed in your telephone book and other directories) or the appropriate FDIC office on Page 11 of this newsletter.

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Appraising Appraisals

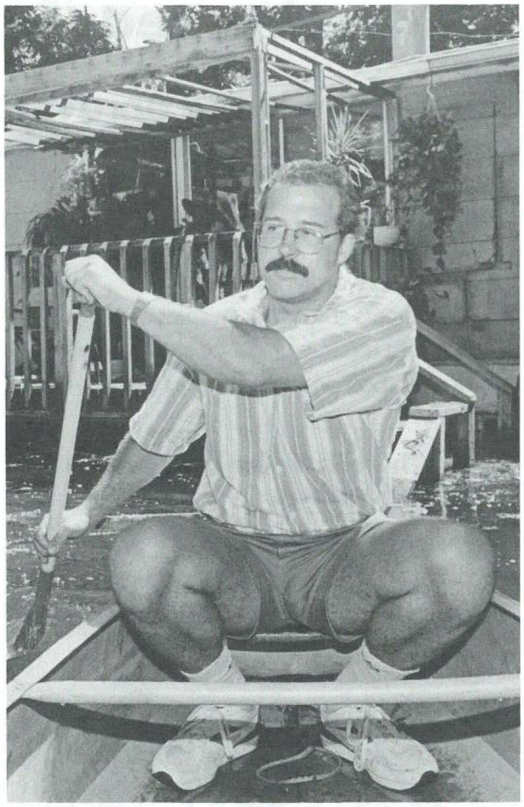
If you apply for a real estate loan of $100,000 or more, current federal rules most likely will require you to get an appraisal of the property by a specially licensed professional. Your lender also can ask for an appraisal on a smaller loan, but it isn't required under the rules. However, in response to concerns about the cost of the requirement to consumers, the FDIC and the other federal regulators of banks and thrifts now are considering relaxing the rules. A final decision is expected early next year. The major change under consideration would require only loans of $250,000 or more to be subject to the special appraisal requirements, although a lender could ask for an appraisal for a smaller loan.

At Your Service

The FDIC division responsible for making payments to closed bank depositors and other duties involving failed banks has been renamed the Division of Depositor and Asset Services, to reflect its emphasis on ensuring quality service to the public. It previously was called the Division of Liquidation. Among other changes is the designation of an "ombudsman" at each of the division's offices nationwide to ensure that questions and complaints from the public are handled quickly and fairly.

Flood Insurance

Congress is considering legislation that would increase pressure on banks to make sure that property owners carry special insurance if they are in areas vulnerable to flooding. The typical private insurance policy that covers a homeowner against loss caused by fire or theft does not include protection against flood damage. Existing laws already require certain borrowers in hazardous areas to purchase flood insurance. However, the recent flooding in the Midwest has led to criticism that existing rules don't make certain that a borrower who purchases a flood insurance policy when a loan is made also will renew the coverage during the life of the loan. No new requirements have yet been approved by Congress.



The recent flooding in the Midwest, like this scene in suburban St. Louis, has prompted Congress to consider new requirements for mortgage borrowers to have flood insurance policies. (Photo by Tim Parker)

Branch Closings

The FDIC and three other federal regulators have adopted a joint policy implementing a 1991 law that requires banks and savings associations to give consumers advance notice of branch closings. The notice is intended to give customers enough time to make new banking arrangements before their branch closes. Among other things, the new law requires an FDIC-insured institution that is planning to close a branch to mail a notice to customers of that branch at least 90 days in advance, and to post a notice at the branch at least 30 days before closing.

Failed Bank Creditors

When a bank fails, the FDIC protects the insured depositors in full and begins the process of recovering as much money as possible from the failed bank's assets. Those recoveries are used to pay creditors of the failed bank, including insured and uninsured depositors (those over the $100,000 insurance limit). Now, a new federal "depositor preference" law will change the way those recoveries are divided up among creditors. Essentially, a larger share of the money recovered after a particular bank failure will go to uninsured depositors than under previous law, and less money will be available for non-deposit creditors (typically people or companies who provided goods or services to the failed institution).

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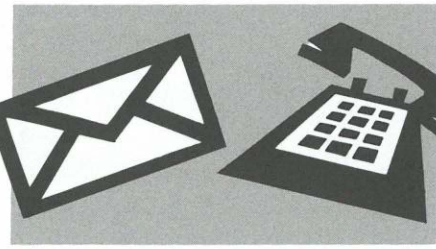
For More Help

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 to buy a home or other real estate from the FDIC...***
- ***How to protect yourself against credit card fraud...***

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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