



FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS - NEWS RELEASE -

FOR IMMEDIATE RELEASE

The Number of Bank Failures is Actually Increasing!

**October Saw the Second-Largest
Closure of Banks This Year.**

EDWARDSVILLE, IL, November 16, 2009 - According to statistics furnished by the Federal Deposit Reserve Corporation (FDIC), the failure of banks across the nation is accelerating.

In January 2009, there were 6 closures. In September, there were 11 closures. In October, a total of 20 failures were reported. All-in-all, there have been 123 reported bank failures so far in 2009!

The most recent failures: Century Bank of Sarasota FL, Orion Bank of Naples FL, and Pacific Coast National Bank in San Clemente CA.

What Can and Should the Customers of a Failed Bank Do?

The FDIC is usually appointed as receiver for failed banks. By visiting that agency's Web site (<http://www.fdic.gov/bank/individual/failed/banklist.html>), customers of a failed financial institution can learn how their accounts are affected. They also will be directed to a page where they can receive point-of-contact information related to failed banks.

Vicki Rolens, managing director of the Federation of American Consumers and Travelers (FACT), says: "The alarming number of bank failures does not seem to be widely publicized, which may lull consumers into a false sense of security." She adds: "Now, maybe more than ever, the individual needs to check out the financial stability of the institution where his or her funds reside. One should also know whether his or her money is FDIC-insured and, if so, the extent of that insurance."

FDIC Deposit Insurance Coverage Limits

Through December 31, 2013, FDIC Deposit Insurance Coverage Limits are \$250,000 per depositor, per insured bank. This includes principal and accrued interest, and applies to all depositors of an insured bank.

"If someone has more than the FDIC-insured limit in one financial institution," points out Rolens, "the excess can be protected by putting it with another bank. The key is to keep your maximum at each bank under \$250,000 per depositor." She adds that, "Deposits in separate branches of an insured bank are not separately insured."

A more complete list, and an explanation of conditions and requirements, may be obtained by visiting <http://www.fdic.gov/deposit/deposits/index.html> on the Internet.

This news release has been issued by the Federation of American Consumers and Travelers (FACT). FACT is a consumer organization, formed under the not-for-profit corporation laws of the District of Columbia in 1984. It currently serves more than 1 million consumers nationwide. Additional information on FACT may be found in the *Encyclopedia of Associations*, and by visiting the association's Web site (www.usafact.org). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. In addition to publishing consumer-related reports, the association provides more than 30 benefits for its members, ranging from [medical insurance](#) and [dental discounts](#) to [prescription drug savings](#) and [scholarships](#). FACT's administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025.

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