

Media Release



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FEATURE ARTICLE:

To the Editor:

Where You Save Does Matter

My neighbor, like others of the "Greatest Generation" (those men and women who carried us through WWII) saw life differently than younger generations. Born right after WWI, he witnessed the Great Depression and was a naval officer during WWII. He remembered when the FDIC started insuring bank deposits back in 1934 after many bank failures left customers with nothing. He could relate to James Stewart's character, George Bailey, in the Christmas classic, *It's a Wonderful Life*. He remembered when the deposit insurance limit was raised from \$40,000 to \$100,000. And, of course, he remembered the savings and loan crisis of the 1980s, where again, even with the safety net of FDIC insurance, many depositors lost much of their life savings. He could not understand how people could still be so careless with their savings.

Our generation has the benefit of FDIC insurance coverage of \$100,000. If someone opens a \$100,000 CD, they can ask for monthly interest payments. As long as you don't put more than the insurance limit in any one bank, even if the bank fails, you will only be risking one month's worth of interest. That may seem simple enough, but you would be surprised at how many people inadvertently exceed the insurance limit at some point or another. The sale of a house, IRA contributions over the years, or an unexpected inheritance are just three easy ways to lose sight of coverage limitations, even if only for a short time.

My intention here is not to scare people, but enlighten them. The banking industry is very strong right now. In fact, over 80% of U.S. banks are currently rated either 5-stars or 4stars, putting them on BAUERFINANCIAL's recommended report. Given that environment, there is absolutely no good reason to put your life savings into a troubled bank ...especially since interest rates vary by region – not by the strength of the institution. That's right, you can get as good an interest rate in a 5 or 4-star rated bank as you can in an inferior institution.

It's easy to check the safety rating of any federally insured U.S. bank or credit union, whether it is across town or across the country, you can a) visit www.bauerfinancial.com or b) call 1.800.388.6686. Ratings are updated four times a year and it's a free service. (Limit 2 ratings per day by phone.) The top CD rates nationally at healthy banks are also listed on the website – FREE.

The next time you hear about a bank failure, you can rest assured that you have done everything you could to protect yourself...and your money.

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Members of the press may request a free spreadsheet of all the bank and/or credit union star ratings in their state, along with financial highlights, by calling Karen Dorway at 1.800.388.6686 or emailing her at kdorway@bauerfinancial.com.