



For Immediate Release

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CBAI Backs Bank Regulatory Actions and Cites Soundness of Community Banks

Springfield, Illinois (July 15, 2008) -- The Community Bankers Association of Illinois (CBAI), which represents 500 member institutions throughout Illinois, assured consumers today amid the housing crisis that community banks are safe and sound financial institutions that are generally well capitalized and conservatively managed with diverse lending and investment portfolios.

CBAI President Bob Wingert said, "Community banks are not involved in the subprime mortgage debacle that has caused significant losses for several large investment and commercial banks. The nature of a typical community bank is to serve its local market with a conservative management approach. That's a main reason why Illinois has more banking charters than any other state in the nation today."

Kent Siltman, CBAI Chairman and President of Citizens First State Bank in Walnut, said, "Consumers should also remember that their deposits are insured by the FDIC up to \$100,000, and retirement accounts up to \$250,000." Siltman also encouraged Congress to enact the housing rescue bill that includes stimulus measures. He also praised the Federal Reserve Board for adopting sweeping rules to prevent abusive and deceptive mortgage lending practices that have led to widespread delinquencies and foreclosures.

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