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NEWS RELEASE

For Immediate Release

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IDAHO'S BANKING INDUSTRY AND REGULATORS JOINTLY ANNOUNCE Y2K FINANCIAL AWARENESS ACTIVITIES

Governor Kempthorne Proclaims Month of October as Y2K Financial Awareness Month

Boise, Idaho . . . The Idaho Bankers Association and the Idaho Department of Finance jointly announce the month of October activities relating to Y2K Financial Awareness Month. These events are in support of Governor Kempthorne's Proclamation declaring October, 1999, to be "Y2K Financial Awareness Month". In the Proclamation, the Governor stated that the purpose of Y2K Financial Awareness Month is to focus "public awareness on Y2K financial preparedness issues." "It is important that Idahoans are informed about the preparations of Idaho financial institutions and also warned about Y2K related financial frauds and misinformation that could cause consumers to take actions placing them and their money at substantial risk," Governor Kempthorne said.

Events planned or underway include the following:

MEDIA OUTREACH: The Idaho Bankers Association and Idaho Department of Finance have prepared a Y2K media kit which is being distributed to the media throughout Idaho. Included in the kit is some of the following information:

- Governor Dirk Kempthorne's Proclamation designating October as "Y2K Financial Awareness Month".
- Press releases issued by the Department of Finance announcing successful completion of testing by all Idaho financial institutions for Y2K readiness and no computer problems relating to the 9-9-99 date.
- A Guest Editorial prepared by the Idaho Bankers Association.
- An open letter from the Director of the Department of Finance to customers considering

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withdrawing large amounts of cash due to Y2K concerns.

- “Financial Issues and the Year 2000” from the Idaho Bankers Association.
- A joint press release issued by federal regulators reporting Y2K progress made by financial institutions which states 99.7% of all financial institutions nationally are Y2K ready.
- A “Y2K Financial Fraud Alert for Idaho Consumers” and a “Y2K Financial Checklist for Idaho Consumers” prepared by the Department of Finance.

PUBLIC OUTREACH: Representatives from the Idaho Bankers Association and Idaho Department of Finance have participated in numerous Y2K civic and community meetings and seminars throughout the state and are available to attend civic, church, or community group meetings to explain the Y2K preparedness of Idaho financial institutions. Please contact the Idaho Bankers Association or the Idaho Department of Finance to schedule a presentation or for additional information.

INDIVIDUAL BANK OUTREACH: Bank lobbies and bank employees will be displaying information related to their preparedness for the “Turn of the Century” as the countdown to December 31, 1999 approaches – less than 80 days away. Idaho banks will also be making customers aware that they will be conducting “business as usual” over the New Years holiday weekend. Although Friday, December 31 will be a state holiday and banks would usually be closed, Idaho banks will be open on this last day of the year. Many in-store branches will operate on Sunday, January 2, and ATMs throughout Idaho will be available 24 hours a day during the weekend. Idaho banks are happy to discuss their Y2K preparedness at any of their offices.

Y2K FRAUD WARNINGS: Idaho bankers and regulators are warning about dishonest persons trying to scare wary individuals into revealing account numbers and credit card information in an attempt to steal their money. Don’t be duped. No bank will call you to request account information. For more information on Y2K financial scams, see the “Y2K Financial Fraud Alert for Idaho Consumers” prepared by the Department of Finance and included in the Y2K media packet and also available on the Department’s Internet web site.

IDAHO BANKS, FEDERAL AND IDAHO BANK REGULATORS AND CONGRESS SAY BANKS AND OTHER FINANCIAL INSTITUTIONS ARE Y2K READY: “Computer systems at every bank in Idaho have been carefully examined and tested to make sure they will operate correctly at the turn of the century,” said **Barbara Strickfaden, Executive Director of the Idaho Bankers Association.** “Every Idaho bank has passed rigorous examinations and is confident that there is no risk to

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deposits, payment schedules, ATM withdrawals, or any other important financial services.”

Federal financial institution regulators recently announced that 99.7% of the nations financial institutions are Y2K compliant. “We’re not just taking the banks’ word for it,” said **Comptroller of the Currency John D. Hawke, Jr.** “Examiners have conducted Y2K examinations in each insured financial institution at least twice and in some cases more times.”

Gavin Gee, Director of the Idaho Department of Finance, has announced that 100% of Idaho chartered financial institutions are Y2K tested and ready. “They are in full compliance with all state and federal Y2K preparedness requirements. Idaho financial institutions are Y2K ready,” Gee said. And he reminds customers, “the safest place for your money is in an insured financial institution.”

“They have tested their critical systems and, in fact, they are already using Year 2000-ready systems daily – without problems,” stated **FDIC Chairman, Donna Tanoue**. “These include systems that record deposit account and loan information. Systems used to handle electronic payments – such as direct deposits. And systems used to run automatic teller machines (ATMs). The banking industry is widely perceived to be among the industries best prepared for Y2K, and,” Tanoue concluded, “No one has ever lost a cent in a federally insured account. And no one will!”

When asked, “What financial problems can the public expect January 1?”, **Ellen Seidman, Director of the Office of Thrift Supervision** responded, “Virtually none.”

The U.S. Senate Special Committee on the Year 2000 Technology Problem released its “100 Day Report” recently. The financial services industry achieved a five-star rating from the Committee for quality of Y2K readiness, the only sector to do so. “The financial services sector ranks ahead of virtually all other industries in its remediation and testing efforts . . .” reported the Committee.

Finally, **Edward Kelly, Governor, Federal Reserve Board** remarked, “We have stressed that we see no need for the public to hold additional cash. We feel strongly that the most sensible thing to do with your money is to leave it where it is . . .”

For further information about Y2K Awareness Month or the Y2K preparedness of Idaho financial institutions, contact the Idaho Bankers Association at (208) 342-8282 or the Idaho Department of Finance at (208) 332-8000. You can also visit the Department of Finance’s web site for additional Y2K information at <http://www.state.id.us/finance/dof.htm>.