

# NEWS MATTERS

INFORMATION AND ADVICE FOR YOUR  
PERSONAL AND BUSINESS BANKING NEEDS

July 2008

High Point Office | 300 North Main Street | Telephone: 336.881.3400



## Your Bank's Financial Security Matters

At High Point Bank, your peace of mind matters. We are the only bank from the Triad to recently receive both a **5-Star (Excellent)** rating from BauerFinancial and an **A- (Excellent)** rating from TheStreet.com Ratings. These independent rating companies evaluate the **safety, soundness** and **financial security** of banks throughout the nation. To learn more about their ratings, visit [www.bauerfinancial.com](http://www.bauerfinancial.com) and [www.thestreetratings.com](http://www.thestreetratings.com).



Charles Myers, President and CEO for High Point Bank

states, "This news should be very reassuring to the community, especially to our customers!"

We are proud to be one of the most trusted and reliable financial institutions in North Carolina, with more than 100 years of proven financial stability. High Point Bank is more than just a community bank; we are your financial partner.

**To learn more about our great personal service, safety and stability, visit your preferred branch, or call 336.881.3400 today.**

\*BauerFinancial rating current as of July 10, 2008. TheStreet.com rating current as of July 14, 2008.

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## America's Banks: Safe, Sound and Serving Their Communities

by Diane Casey-Landry

Chief Operating Officer and Senior Executive Vice President

[American Bankers Association](#)

Headlines can be misleading, and in a time of financial crisis, that can make matters worse. Pick up a paper, or listen to the quick bursts of news on TV or radio, and what you get are reports of a subprime crisis, a "banking" crisis and market turmoil. That's only intensified on the rare occasion that a bank fails.

Let's set the record straight: The banking industry - traditional federally insured,



federally regulated depository institutions - your local commercial bank, thrift or savings bank - is safe and sound. And your account in commercial banks, thrifts and savings banks carry FDIC insurance. That means your account in a [federally insured](#) bank is protected up to \$100,000, with additional protection for joint accounts, and \$250,000 for a retirement account. The [Federal Deposit Insurance Corporation \(FDIC\)](#) guarantees your accounts with more than \$52 billion in assets to protect depositors like you.

The banking industry's capital is at historic highs. As of March 2008, the industry held \$1.36 trillion in capital, plus \$120.9 billion in reserves, for a total buffer of \$1.48 trillion.

Having a safe and sound banking system to rely on shows the importance of the role banks play in our local communities and in our nation's economy. They are the source of stability and of growth. That is true regardless of their asset size, their charter or their business plan. And the vast majority of banks today hold more capital than the law requires.

Those headlines and news reports that keep repeating the word "crisis" overlook the fact that the subprime lending crisis was caused by unregulated brokers and Wall Street institutions themselves, sometimes using the title "bank," and not by regulated, insured banks. Federally regulated banks employ underwriting practices to avoid losses and to promote safe and sound operations. And when they do not operate appropriately, their regulators, who visit them annually, will take exception to such practices and require corrective action. That's why FDR's observation half a century ago is still relevant: "The only thing we have to fear is fear itself."

Our banking system is strong. This crisis will pass, as have all the others, and the result will be a stronger financial system with fewer unregulated players and a reminder that liquidity and capital are both important to solvency.

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Not FDIC Insured, Not Bank Guaranteed, May Lose Value, Not Guaranteed By Any Government Agency, Not A Bank Deposit.