



AMERICA'S MUTUAL BANKS

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FOR IMMEDIATE RELEASE

COALITION FORMED TO PROTECT INTERESTS AND OPERATIONS OF COUNTRY'S MUTUAL BANKING ORGANIZATIONS

(Washington, DC) April 7, 2011 - A group of leading mutual banking institutions today announced the formation of America's Mutual Banks, a coalition that will serve as an effective voice for mutual banking institutions.

"The founding members of America's Mutual Banks (AMB) feel that mutuals are in danger of being marginalized in the regulatory transition mandated by the Dodd-Frank Act," said Alton K. McRee, CEO of Fidelity Homestead Savings Bank of New Orleans. "Mutual financial institutions need a strong united voice to promote the mutual agenda among Federal and State legislators, regulators and other policymakers. America's Mutual Banks will be that voice."

One of the immediate goals of AMB will be to educate legislators, regulators and other stakeholders on the unique and positive attributes of the mutual form of ownership. "It has become increasingly clear that many legislators, regulators and other policymakers do not fully understand the structure of a mutual organization," said Ray Hallock, CEO of Columbia Bank FSB, Fairlawn, N.J., and a member of AMB "This lack of understanding, rather than any purposeful actions, has led to programs and regulations that have not taken into account the unique ownership structure and risk profile of mutuals."

Mutual banks are unique in that their strategic decisions are driven by considerations that relate to maintaining a viable competitive presence within the community for the foreseeable future. There is no stockholder pressure to take "bet the bank" risks, which may result in excessive leverage or simply to inflate the value of stockholder interests which can be bought and sold or cause the bank to sell out. Because of this, mutual banks tend to have a far lower risk profile than stock financial institutions. Indeed, during this financial crisis only a dozen mutual institutions have failed, compared to the hundreds of stock institutions that have done so. "Mutual financial institutions have historically been a safe form of financial organization, and America's Mutual Banks is dedicated to not only preserving but advancing the mutual form," said Bill McGarry, CEO of Ridgewood Savings Bank, Ridgewood, N.Y., who also is a member of AMB.

About America's Mutual Banks

America's Mutual Banks is a coalition of like-minded mutuals dedicated to preserving and advancing the mutual banking form. America's Mutual Banks is headquartered at 701 8th Street NW, Suite 700, Washington, D.C. 20001. Please contact Douglas Faucette, Locke Lord Bissell & Liddell LLP, at 202-220-6961 with any questions or requests for additional information on America's Mutual Banks.

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