

## FOR IMMEDIATE RELEASE

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### MONTANA CREDIT UNION ADDRESSES RECENT BANK FAILURES

Great Falls, Montana – With the news about Silicon Valley Bank being shut down last Friday, followed by Signature Bank over the weekend, Montana Credit Union wants to assure their members that local financial institutions continue to be the safest place to keep your money.

Silicon Valley Bank and Signature Bank were taking on high amounts of risk in their business and lending practices, working primarily with tech firms, cryptocurrency, start ups and venture capital companies. Because of the nature of these businesses, they served a niche role in financial services, and their business practices differ greatly from ours in their lending decision making. In fact, last fall our board of directors and leadership team made the decision to **not** dabble in crypto banking due to the high levels of risk involved.

We regularly review and monitor our liquidity, and maintaining a delicate balance between our loan and share volumes plays a large role in that. In addition, our board of directors, supervisory committee, and asset liability committee (ALCO) meet regularly to ensure that our business practices are wise, prudent and safe, so that as a financial institution we don't end up in such a position.

Our members' money is federally insured up to \$250,000 by NCUA. Banks have a similar situation with the FDIC, and this morning, President Biden issued communication that the government would back deposits above the federally insured \$250,000 for SVB customers. This is important to note because what happened with Silicone Valley Bank and Signature Bank is not a sign of "banks failing," but of two banks that were making poor, risky decisions in their business practices, which led them to fail – and the government wants to make sure that consumers don't pay the price for that risky way of doing business.

Please know that this circumstance with Silicone Valley Bank and Signature Bank is not a "sign of the times," or any indicator that financial services, especially credit unions, are in any danger of failing. Financial institutions, credit unions in particular, remain the safest place for members to keep their money, and Montana Credit Union has very strong, local oversight practices in place to prevent something like this from happening here. If anything, this is a reminder for consumers to research their financial institution of choice, and base their decisions on where to keep their money, based on business practices that align with their best interests.

Should you have more specific questions, please feel free to contact us at (406) 727-2210.

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*Since its inception in 1940, Montana Credit Union has grown to over \$333 million in assets and currently serves 24,600 member accounts. Montana CU is a full-service financial institution, providing savings, checking, loan and other services, with three convenient locations around Great Falls: 901 8<sup>th</sup> Avenue South, 15 14<sup>th</sup> Street South and 540 Smelter Avenue NE. Membership is open to those who live, work or worship in 44 counties canvassing the state of Montana. For more information or to see if you qualify for membership, please visit [www.montanacu.com](http://www.montanacu.com)*



**Montana**  
CREDIT UNION

3 convenient locations to serve our members

901 8th Ave. South | 540 Smelter Ave. NE | #15 14th St. South  
Great Falls, MT 59405 | Great Falls, MT 59404 | Great Falls, MT 59401

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