

Philadelphia Savings Fund Society

It is...well, *was*, the oldest bank in America...The Philadelphia Savings Fund Society (PSFS), originally called the Philadelphia Saving Fund Society, was a savings bank headquartered in Philadelphia, Pennsylvania, United States. PSFS was founded in December 1816, becoming the first savings bank to organize and do business in the United States. The bank would grow into being one of the largest savings banks in the United States and become a Philadelphia institution with generations of Philadelphians opening up accounts as children and becoming life-long depositors.

The bank was organized by a group of men led by Condy Raguet after reading about the concept of savings banks becoming popular in Great Britain. The bank quickly began to expand by adding services and branches and moving into larger headquarters buildings. By the late 1910s PSFS had the largest number of depositors of any savings bank in the United States and was second to the Emigrant Savings Bank in the amount of money deposited. PSFS began programs in the 1920s that encouraged children to put money into savings accounts instead of spending it on treats and school programs, allowing children to open accounts with PSFS.

Changes to the personal finance industry in the 1970s led to smaller banks struggling to stay open. A government solution had struggling banks merge with healthier ones and in 1982 the Western Savings Fund Society was merged with PSFS. The merger deal allowed PSFS to expand into new business ventures. PSFS quickly began expanding into other fields such as corporate finance, mutual funds and real estate development. In 1984, PSFS began doing business under the name Meritor Financial Group to emphasize its expansion into financial services. The new business venture led to the company losing millions of dollars and forcing it to sell off many of its subsidiaries and PSFS bank branches. Despite the effort, Meritor continued to lose money and on December 11, 1992 the Federal Deposit Insurance

Corporation (FDIC) was appointed receiver of the 176-year-old bank and sold its remaining assets to Mellon Financial for US\$335 million. PSFS survived through Mellon Financial's acquisition of the PSFS name and naming its bank branches Mellon PSFS.

Mellon PSFS lasted until the end of 2001, when the branches were acquired by Citizens Financial Group and were renamed. Another landmark gone!

[http://en.wikipedia.org/wiki/Philadelphia_Savings_Fund_Society]

