

PRESS RELEASE 09-04

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### **State Closes County Bank**

(San Francisco, CA) – The California Department of Financial Institutions (DFI) announced today that it has closed County Bank, citing inadequate capital. Immediately following the closure, the DFI named the Federal Deposit Insurance Corporation (FDIC) as receiver of County Bank.

All branches of County Bank will reopen on Monday, February 9, 2009 with no disruption in service. Over the weekend, County Bank's depositors can access their insured deposits by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2008, County Bank, Merced, had total assets of approximately \$1.7 billion and total deposits of approximately \$1.3 billion. The DFI has been closely monitoring the bank and had ordered it to increase its capital reserves to a safe and sound level. But efforts by the bank to do so were unsuccessful.

The depositors of County Bank are protected by the FDIC. Customers who have questions about today's transaction can call the FDIC toll free at 1-800-523-8275. The phone number will be operational this evening until 9:00 p.m., PST; on Saturday from 9:00 a.m. to 6:00 p.m., PST; Sunday from Noon to 6:00 p.m., PST; and thereafter from 8:00 a.m. to 8:00 p.m., PST.

DFI supervises 700 state financial institutions. Maintaining the integrity of financial services remains the primary mission of the Department. The DFI is responsible for administering state laws regulating state-licensed financial institutions: banks, credit unions, industrial banks, trust companies, offices of foreign banks, issuers of travelers' checks and payment instruments (money orders), and money transmitters. In addition to posting information about licensees, the DFI Web site features consumer tips on a variety of financial topics. DFI reports to Business, Transportation & Housing Agency Secretary Dale E. Bonner and Governor Arnold Schwarzenegger.

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