



NEWS RELEASE

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FDIC BANS TWO ILLINOIS BANKERS AND IMPOSES MONEY PENALTIES

The Federal Deposit Insurance Corporation announced that it has banned Alexander Sarovich and George B. Demes from serving as officers or directors or from participating in the affairs of any federally insured depository institution. The ban was announced as a result of their activities as officers and directors of Alsip Bank and Trust, Alsip, Illinois.

In addition, Demes, Sarovich and the four other members of Alsip Bank and Trust's Board of Directors have agreed to pay the FDIC a total of \$445,000 in civil money penalties.

Demes and Sarovich were charged with obtaining loans and payments from Alsip Bank and Trust in violation of federal laws and regulations intended to prevent insiders from reaping personal financial gain at the expense of a bank's safety and soundness. As a result of the FDIC's orders, neither may serve as an officer or director, nor participate in the affairs of a federally insured depository institution without the prior written consent from the FDIC. They are also prohibited from voting for any director of such institutions without written consent.

The civil money penalties were assessed against the six individuals for violations of laws and regulations prohibiting abusive insider transactions as well as for willful violation of a cease-and-desist order imposed upon Alsip Bank and Trust in 1988.

Demes and Sarovich consented to the issuance of the orders prohibiting their participation in the affairs of federally insured depository institutions without admitting or denying the allegations against them. All

(more)

six individuals consented to the assessment of the civil money penalties without admitting or denying guilt.

The four other board members assessed civil money penalty are: Robert H. Murphy (\$84,550), George P. Fotopoulos (\$26,700), Herbert N. Rosen (\$31,150), and Louis T. Tenta (\$35,600). Demes and Sarovich were assessed penalties of \$133,500 each.

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