



NEWS RELEASE

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FDIC BANS WILLIAM GRANTMYRE FROM SERVICE IN UNITED STATES BANKS

William Grantmyre has been banned by the Federal Deposit Insurance Corporation from serving in or influencing the operations of FDIC-insured banks due to his demonstrated dishonesty and disregard for bank safety.

The FDIC order permanently removes Grantmyre, president of Western Community Moneycentre Ltd., a Canadian corporation, from the business of banking in the United States. It also prohibits him from participating in the affairs of any FDIC-insured bank, including voting for directors, without obtaining prior approval from federal bank regulatory agencies.

The FDIC order does not expressly prohibit Grantmyre from seeking to control or influence the operations of savings institutions insured by the Federal Savings and Loan Insurance Corporation. The order would, however, provide a basis for the FSLIC and other federal regulatory agencies to take similar action against Grantmyre. FDIC investigators have concluded Grantmyre has recently attempted to secure control of at least one FSLIC-insured thrift institution, and may be seeking similar involvement with other institutions.

The determination that Grantmyre is unfit to engage in banking operations was made following an FDIC investigation into his attempted takeover of Rankin State Bank, Rankin, Illinois. The investigation revealed that Grantmyre convinced certain Rankin State Bank officers to purchase more than \$2.2 million in undocumented mortgage loans from Western Community Moneycentre Dallas, a Texas corporation in which he serves as president and

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chief executive officer. Proceeds from the loan purchase were to be used by an allegedly existing bank holding company to purchase Rankin State Bank's stock. However, Grantmyre never delivered documentation for the loans, which were purportedly originated in Texas, and the existence of his bank holding company could not be verified.

The FDIC Board of Directors determined Grantmyre caused Rankin State Bank to suffer substantial losses because the bank paid for assets it never received and also incurred substantial legal and other fees while attempting to reverse the transaction. Moreover, because Grantmyre never filed appropriate applications giving state and federal regulators notice of his acquisition of more than 10 percent of Rankin State Bank's stock, the FDIC Board also ruled he violated the change in control requirements of the Federal Deposit Insurance Act.

Although Grantmyre was not an employee, officer or director of the bank while executing his takeover plan, the FDIC Board determined his conduct and activities did influence those who controlled the bank. Grantmyre, therefore, was a participant in the affairs of the bank and subject to the removal and prohibition powers granted to the FDIC by the Federal Deposit Insurance Act.

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