

FOR IMMEDIATE RELEASE

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**FDIC, FSLIC REACH \$10.4 MILLION SETTLEMENT
WITH NEW YORK MONEYBROKER MARIO RENDA**

The Federal Deposit Insurance Corporation and Federal Savings and Loan Insurance Corporation today announced a \$10.4 million settlement in their lawsuit against former New York moneybroker Mario Renda, his wife and fourteen corporations they owned or controlled.

As part of the settlement, Renda has admitted to defrauding two banks and one savings and loan association in Kansas. He also has agreed to a \$9.9 million judgement as restitution to the FDIC and FSLIC in pending criminal litigation in Kansas. Sentencing in the criminal litigation is expected next week.

Renda during 1983 operated a nationwide brokered funds market, obtaining in the normal course of business over \$2.5 billion in funds for more than 1000 financial institutions. He was considered one of the five most active money brokers in the country. Prior to his arrest on criminal charges, Renda testified before Congress on money brokerage and the 1982 failure of Penn Square Bank.

The Justice Department in 1984 acted on information provided by the FDIC and raided Renda's Long Island office. The raid, conducted by Justice's Organized Crime Strike Force, obtained information leading to the prosecution of the largest pension fund fraud and bank fraud indictments relating to Renda's "linked financing" arrangements with Indian Springs State Bank, the Rexford State Bank and Coronado Federal Savings and Loan, all of which were located in Kansas. The FDIC in 1985 sued Renda for his role in the

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fraudulent linked financing scheme. The FSLIC joined the litigation later, following the failure of Coronado Federal S&L.

Under the agreement, which settles FDIC charges brought under authority of the Racketeer Influenced and Corrupt Organizations Act (RICO), all funds remaining in Renda's Swiss bank account, estimated at \$500,000, will be paid to the FDIC and FSLIC. Renda also will turn over property for liquidation with an estimated value of \$10 million. The property includes an apartment building on Park Avenue in New York City, a shopping center in Hawaii, a 101-foot yacht, a 26-passenger BAC 1-11 executive jet (with deluxe galley and lounge areas), two Persian rugs, a silver inkwell and a silver cigar box.

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