PRESS RELEASE

Federal Deposit Insurance Corporation

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HOST STATE LOAN-TO-DEPOSIT RATIOS

FOR IMMEDIATE RELEASE

The Federal Reserve Board, along with the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation, today issued the host state loan-to-deposit ratios that the banking agencies will use to determine compliance with section 109 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (Interstate Act).

Section 109 prohibits any bank from establishing or acquiring a branch or branches outside of its home state under the Interstate Act primarily for the purpose of deposit production and provides a two-step process to test compliance with the statutory requirements.

The first step involves a loan-to-deposit ratio screen that compares a bank=s statewide loan-to-deposit ratio to the host state loan-to-deposit ratio for a particular state.

The second step requires the banking agencies to determine if the bank is reasonably helping to meet the credit needs of the communities served by the bank=s interstate branches.

A bank that fails both steps is in violation of section 109 and is subject to sanctions by the banking agencies.

The host state loan-to-deposit ratios are attached.

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