



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## **FDIC APPROVES THE ASSUMPTION OF ALL THE DEPOSITS OF GOLDEN CITY COMMERCIAL BANK, NEW YORK, NEW YORK**

### **FOR IMMEDIATE RELEASE**

The Federal Deposit Insurance Corporation (FDIC) has approved the purchase and assumption of all the deposits of Golden City Commercial Bank, New York, New York, by Cathay Bank, Los Angeles, California.

Golden City, a state chartered bank with total assets of \$89.3 million, was closed today at 3:30 p.m. by the New York Superintendent of Banks, and the FDIC was named receiver. The FDIC anticipates that this will be a no-cost transaction for the Bank Insurance Fund (BIF).

Golden City's two offices will reopen as branches of Cathay Bank, and its depositors will automatically become depositors of Cathay Bank. Golden City's former main office in Flushing will reopen today at approximately 4:00 p.m. and stay open until its normal closing time. The office located at 45 Broadway in Manhattan will reopen tomorrow at its normal time. Customers of Golden City can continue to conduct banking activity as usual at the former bank's two locations, including the use of checks and automated teller machines (ATMs).

Cathay Bank will assume all of Golden City's \$82.0 million in deposits. It will also purchase approximately \$85.4 million of the failed bank's assets; however, it will have an option to return \$32.0 million of those assets to the receivership within 14 days. Cathay Bank will pay the FDIC a premium of \$2.7 million for the right to purchase the assets and to assume all the deposits of Golden City.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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Golden City is the seventh BIF-insured institution failure this year. There has also been one failure of an institution insured by the FDIC's Savings Association Insurance Fund (SAIF) in 1999.

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