



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF HARTFORD-CARLISLE SAVINGS BANK, CARLISLE, IOWA

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) has approved the assumption of the insured deposits of Hartford-Carlisle Savings Bank, Carlisle, Iowa, by Citizens Bank, Carlisle, Iowa, a newly chartered subsidiary of Spectrum Bancorp, Omaha, Nebraska.

Hartford-Carlisle, with approximately \$113.8 million in assets, was closed today by the Iowa Superintendent of Banking and the FDIC was named receiver.

The failed bank's three offices will reopen on Saturday, January 15, as branches of Citizens Bank. Hartford-Carlisle had total deposits of \$68.5 million in about 7,700 accounts. Citizens Bank will assume the failed bank's insured deposits of approximately \$52.6 million and will pay a premium of \$5.5 million for the right to those deposits and to purchase approximately \$3.9 million of Hartford-Carlisle's assets. The FDIC, as receiver, will retain the remaining assets for later disposition.

The receiver is in the process of valuing the assets of the failed bank. Based on the information now available and the extent of apparent fraud that has been identified at the bank, the FDIC estimates that losses will be in the range of between \$18 million and \$25 million. Hartford-Carlisle is the first BIF-insured bank to fail this year



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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