



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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## **FDIC APPROVES SALE OF SUPERIOR FEDERAL BANK, FSB, HINSDALE, ILLINOIS**

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) approved the sale of the branches and deposits of Superior Federal Bank, FSB. The winning bidder is Charter One Bank, FSB, Cleveland, Ohio.

Superior Federal Bank, FSB is the conservatorship established by the FDIC after the Office of Thrift Supervision closed Superior Bank, FSB on July 27, 2001. Charter One has agreed to pay the FDIC a premium of \$52.4 million to assume the 17 locations and the \$1.1 billion of deposits held in conservatorship.

In addition to assuming all the deposits, Charter One is acquiring approximately \$45 million of Superior's assets. These assets consist mainly of home equity lines of credit, overdrafts assigned to each branch location, cash and cash equivalents.

Although the FDIC has accepted Charter One's bid, the deposits and the assets will not be transferred until required regulatory waiting periods have expired. The FDIC anticipates that the deposits and assets will be transferred to Charter One in mid-November.

The FDIC received a total of 19 bids from nine different financial institutions. The bid from Charter One for the entire branch system was determined to be the most cost effective for the Savings Association Insurance Fund (SAIF). At this time, the FDIC estimates the loss to the SAIF for the failure of Superior Bank, FSB, to be in the range of \$450 million to \$550 million. The final cost will be affected by the actual recoveries on the remaining assets and claims less expenses.



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.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-78-2001

This transaction does not affect Alliance Funding, the mortgage origination and loan servicing operations of the former Superior Bank, FSB. Alliance Funding will continue to operate while the FDIC looks for a buyer.

