



PRESS RELEASE

Federal Deposit Insurance Corporation

FOR IMMEDIATE RELEASE
June 27, 2002

Media Contacts:
Phil Battey (202) 898-6993

FDIC ANNOUNCES RECEIVERSHIP OF UNIVERSAL FEDERAL SAVINGS BANK, CHICAGO, ILLINOIS

WASHINGTON, D.C. -- Universal Federal Savings Bank, Chicago, Illinois, was closed today by the Office of Thrift Supervision (OTS), and the Federal Deposit Insurance Corporation (FDIC) was named receiver.

The FDIC is attempting to arrange a transaction under which the failed bank's insured deposits will be assumed by a healthy bank. If this effort proves unsuccessful, the FDIC will move immediately to make funds available to depositors up to the statutory insurance limit of \$100,000. The FDIC expects to make an announcement of the outcome of its effort within the next few days.

"No one has ever lost a single penny in an account insured by the FDIC through either its Savings Association Insurance Fund (SAIF) or its Bank Insurance Fund (BIF)," said Mitchell Glassman, Director of the FDIC's Division of Resolutions and Receiverships. As of March 31, 2002, Universal Federal Savings Bank reported approximately \$52 million in assets and \$40 million in deposits.

This is the first failure of a SAIF-insured institution this year. The FDIC is unable at this time to estimate the loss to the fund that the failure will cause.



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, by subscription electronically (go to 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-76-2002