



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC Approves the Assumption of the Insured Deposits of Bank of Ephraim, Ephraim, Utah

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved the assumption of the insured deposits of Bank of Ephraim, Ephraim, Utah, by Far West Bank, Provo, Utah.

The Bank of Ephraim, with total assets of approximately \$46.4 million, was closed today by the Utah Commissioner of Financial Institutions, and the FDIC was named receiver.

Far West Bank has agreed to assume approximately \$40.4 million of insured deposits of the failed bank. At the time of closure, Bank of Ephraim had approximately \$4.8 million in deposits in 125 accounts that exceeded the federal deposit insurance limit.

Three of the failed bank's four offices will reopen Monday as branches of Far West Bank. Deposit customers of Bank of Ephraim will automatically become depositors of the assuming bank. All depositors will continue to have immediate access to their insured funds.

The Hildale branch will not reopen. Customers of the Hildale branch may visit the Far West branch office at 308 West Tabernacle in St. George, Utah. Customers may also contact Far West Bank's customer service toll-free at 1-800-451-6465.

Customers with more than \$100,000 on deposit at the failed bank should contact the FDIC toll-free at 1-877-289-2088. Customer Service will be operational from Monday through Friday, 8 a.m. to 4 p.m., Mountain Time.



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-69-2004

Far West Bank has agreed to pay the FDIC a premium of 7.51 percent of assumed deposits and purchased certain assets in the form of cash equivalents, securities, and loans secured by deposits.

The FDIC estimates the cost of this transaction to the Bank Insurance Fund will be \$13.8 million. Bank of Ephraim is the fourth failure of an FDIC-insured institution this year, and the first in Utah since Tracy-Collins Bank and Trust in December 1988.