



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC Approves Assumption of all the Deposits of Reliance Bank, White Plains, New York

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) has approved the assumption of all the deposits of Reliance Bank, White Plains, New York, by Union State Bank, Orangeburg, New York.

Reliance Bank, with approximately \$30.3 million in assets as of January 31, 2004, was closed today by the New York Superintendent of Banks, and the FDIC was named receiver. Reliance Bank's only banking office will reopen as a branch of Union State Bank. The drive-through window will re-open today from 3:30 p.m. to 5:00 p.m. Full-service operations will resume on Monday. Depositors of the failed bank will automatically become depositors of Union State Bank.

The failed bank had total deposits of \$28.0 million in about 1,100 accounts as of January 31, 2004. Union State Bank will pay the FDIC a premium of \$2.6 million for the right to assume those deposits and to purchase \$17.5 million of the failed bank's assets. The FDIC will retain the remaining \$12.8 million in assets for later disposition.

Customers with questions about today's transaction can contact the FDIC toll free at 1-888-206-4662. The toll-free number will be operational Monday through Friday, from 8:30 a.m. to 5:30 p.m. Eastern Standard Time.

The FDIC estimates the cost of this transaction to the Bank Insurance Fund (BIF) to be \$300,000. Reliance Bank is the third FDIC-insured bank to fail this year, and the first in New York since Golden City Commercial Bank, New York, New York, failed on December 10, 1999.



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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