



PRESS RELEASE

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

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FDIC Approves The Assumption of The Insured Deposits of Netbank, Alpharetta, Georgia

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved the assumption of the insured deposits of NetBank, Alpharetta, Georgia, by ING Bank, fsb, Wilmington, Delaware.

NetBank, with \$2.5 billion in total assets and \$2.3 billion in total deposits as of June 30, was closed today by the Office of Thrift Supervision, and the FDIC was named receiver.

The failed bank was an Internet bank and did not have any physical branches. Depositors of NetBank will automatically become depositors of ING Bank.

Over the weekend, customers can access their money by writing checks, or by using their debit or ATM cards. Checks drawn on the bank that did not clear before today will be honored up to the insured limit. Starting on the morning of Monday, October 1, customers will have full access to their insured deposits via the Internet and for the foreseeable future should continue to utilize NetBank's current Website to transact banking business.

ING Bank has agreed to assume \$1.5 billion of the failed bank's insured non-brokered deposits for a one percent premium and will purchase \$724 million of assets. NetBank had approximately \$109 million in 1,500 deposit accounts that exceeded the federal deposit insurance limit. While these customers will have access to their insured deposits, they will become creditors of the receivership for the amount of their uninsured funds.

In addition to continued access to their insured deposits, depositors of NetBank with deposits in excess of the insurance limits will also receive an immediate payment of 50 percent of their uninsured balance from the FDIC as receiver.



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-81-2007

NetBank also had approximately \$744 million in brokered deposits that are not part of today's transaction. The FDIC will pay the brokers directly for the amount of their insured funds.

"When a bank fails, it touches almost every office and division in the corporation," said FDIC Chairman Sheila C. Bair. "As chairman, it makes me proud to see the hard work and dedication demonstrated by staff. Since we began insuring banks in 1934, not a single depositor has lost a penny of insured deposits. Customers of NetBank should have confidence and security knowing that they will have access to their insured funds in a timely and orderly manner."

Customers with questions about how deposit insurance works or who would like more information concerning the failure can visit NetBank's Website at <http://www.netbank.com/>; the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/NetBank.html>; or call toll-free at 1-888-256-6932. While the toll-free number will be operational 24 hours a day, seven days a week, customers are encouraged to call before midnight, Eastern Daylight Time, if possible.

It is important to note that neither the FDIC as receiver nor ING Bank as the acquiring institution will e-mail customers of NetBank asking them to validate their deposits or to request personal, confidential information, such as account numbers, Social Security Number, driver's license number, etc. If customers receive e-mails asking for such personal information, they should consider them to be fraudulent in nature and should not respond.

The FDIC entered into a Loan Purchase Agreement with EverBank, Jacksonville, Florida, to purchase certain assets of NetBank. EverBank will purchase about \$700 million of mortgages held by NetBank. The FDIC will retain the remaining \$1.1 billion in assets for later disposition, including NetBank's leasing division, NetBank Business Finance which will continue operations. Loan customers should continue to make payments as usual.

The FDIC estimates the cost of this transaction to its Deposit Insurance Fund to be approximately \$110 million. NetBank is the second FDIC-insured bank to fail this year and the first in Georgia since AmTrade International Bank, Atlanta, Georgia, was closed on September 30, 2002.