



# PRESS RELEASE

Federal Deposit Insurance Corporation

FOR IMMEDIATE RELEASE

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## **Mutual of Omaha Bank Acquires All Deposits of First National Bank of Nevada and First Heritage Bank, N.A.**

### *All Insured and Uninsured Deposits Transferred to Acquiring Bank*

First National Bank of Nevada, Reno, Nevada, and First Heritage Bank, N.A., Newport Beach, California (owned by First National Bank Holding Company, Scottsdale, Arizona), were closed today by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation (FDIC) was named receiver. The FDIC entered into purchase and assumption agreements with Mutual of Omaha Bank, Omaha, Nebraska, to take over all of the deposits and certain assets of the First National Bank of Nevada, Reno (also operating as First National Bank of Arizona, which recently merged into it), and First Heritage Bank, N.A., Newport Beach, California.

The 28 offices of the two banks will reopen on Monday as branches of Mutual of Omaha Bank. All depositors, including those with deposits in excess of the FDIC's insurance limits, will automatically become depositors of Mutual of Omaha Bank for the full amount of their deposits. Depositors will continue to be insured with Mutual of Omaha Bank so there is no need for customers to change their banking relationship to retain their deposit insurance.

Over the weekend, customers of the banks can access their money by writing checks or using ATM or debit cards. Checks drawn on the banks will be processed normally. Loan customers should continue to make loan payments as usual.

Of the 10 institutions that have failed over the past two years, this is the second time in which another bank acquired all of the failing banks' insured and uninsured deposits. Mutual of Omaha Bank's acquisition of all deposits was the "least costly" resolution for



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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the Deposit Insurance Fund compared to all alternatives because the expected losses to uninsured depositors were fully covered by the premium paid for the banks' franchises.

As of June 30, 2008, First National of Nevada had total assets of \$3.4 billion and total deposits of \$3.0 billion. First Heritage Bank had total assets of \$254 million and total deposits of \$233 million.

Customers who would like more information on today's transactions should visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/fnbnv.html> (for First National Bank of Nevada) and <http://www.fdic.gov/bank/individual/failed/heritage.html> (for First Heritage Bank, N.A.). They may also call the FDIC toll free about both institutions at 1-866-674-8944 and 1-800-523-8089 until 9:00 p.m. Pacific time this evening, and then 8:00 a.m. to 8:00 p.m. daily, thereafter.

In addition to assuming all of the deposits of the banks, Mutual of Omaha Bank will purchase approximately \$200 million of assets from the receiverships. Mutual of Omaha Bank will pay the FDIC a premium of 4.41 percent to assume all the deposits. The FDIC will retain the remaining assets for later disposition.

First Heritage Bank, N.A., Newport Beach, California, had three branches; its clientele was comprised primarily of corporations. First National Bank of Nevada, with 25 branches, also operated as First National Bank of Arizona. It is not affiliated with National Bank of Arizona, Zions Bancorporation or its affiliates.

The cost of the transactions to the Deposit Insurance Fund is estimated to be \$862 million. The failed banks had combined assets of \$3.6 billion, .03 percent of the \$13.4 trillion in assets held by the 8,494 institutions insured by the FDIC.

First National Bank of Nevada is the first bank to be closed in Nevada since Frontier Savings Association, Las Vegas, on December 14, 1990. The bank closed most recently in California was IndyMac Bank, F.S.B., Pasadena, on July 11, 2008. This year, a total of seven FDIC-insured banks have been closed.