



PRESS RELEASE

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

November 6, 2009

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Alerus Financial, National Association, Grand Forks, North Dakota, Assumes All of the Deposits of Prosperan Bank, Oakdale, Minnesota

FOR IMMEDIATE RELEASE

Prosperan Bank, Oakdale, Minnesota, was closed today by the Minnesota Department of Commerce, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Alerus Financial, National Association, Grand Forks, North Dakota, to assume all of the deposits of Prosperan Bank.

The three branches of Prosperan Bank will reopen during their normal business hours as branches of Alerus Financial, N.A. Depositors of Prosperan Bank will automatically become depositors of Alerus Financial, N.A. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branches until Alerus Financial, N.A. can fully integrate the deposit records of Prosperan Bank.

This evening and over the weekend, depositors of Prosperan Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of August 31, 2009, Prosperan Bank had total assets of \$199.5 million and total deposits of approximately \$175.6 million. Alerus Financial, N.A. will pay the FDIC a premium of 1.02 percent to assume all of the deposits of Prosperan Bank. In addition to



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-199-2009

assuming all of the deposits of the failed bank, Alerus Financial, N.A. agreed to purchase approximately \$173.9 million of the failed bank's assets.

The FDIC and Alerus Financial, N.A. entered into a loss-share transaction on approximately \$173.9 million of Prosperan Bank's assets. Alerus Financial, N.A. will share in the losses on the asset pools covered under the loss-share agreement. The loss-sharing arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-405-6318. The phone number will be operational this evening until 9:00 p.m., Central Standard Time (CST); on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon to 6:00 p.m., CST; and thereafter from 8:00 a.m. to 8:00 p.m., CST. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/prosperan.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$60.1 million. Alerus Financial, N.A.'s acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Prosperan Bank is the 118th FDIC-insured institution to fail in the nation this year, and the sixth in Minnesota. The last FDIC-insured institution closed in the state was Riverview Community Bank, Ostego, on October 23, 2009.

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