



PRESS RELEASE

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

August 28, 2009

Media Contact:
LaJuan Williams-Dickerson
(202) 898-3876
lwilliams-dickerson@fdic.gov

Central Bank, Stillwater, Minnesota, Assumes All of the Deposits of Mainstreet Bank, Forest Lake, Minnesota

FOR IMMEDIATE RELEASE

Mainstreet Bank, Forest Lake, 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 Central Bank, Stillwater, Minnesota, to assume all of the deposits of Mainstreet Bank.

The eight branches of Mainstreet Bank will reopen on Saturday as branches of Central Bank. Depositors of Mainstreet Bank will automatically become depositors of Central Bank. 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 Central Bank can fully integrate the deposit records of Mainstreet Bank.

This evening and over the weekend, depositors of Mainstreet 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 June 30, 2009, Mainstreet Bank had total assets of \$459 million and total deposits of approximately \$434 million. Central Bank will pay the FDIC a premium of 0.10 percent to assume all of the deposits of Mainstreet Bank. In addition to assuming all of



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-156-2009

the deposits of the failed bank, Central Bank agreed to purchase essentially all of the assets.

The FDIC and Central Bank entered into a loss-share transaction on approximately \$268 million of Mainstreet Bank's assets. Central Bank 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.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-405-7869. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Saturday from 9:00 a.m. to 6:00 p.m., CDT; on Sunday from noon to 6:00 p.m., CDT; and thereafter from 8:00 a.m. to 8:00 p.m., CDT. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/mainstreet-mn.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$95 million. Central Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Mainstreet Bank is the 83rd FDIC-insured institution to fail in the nation this year, and the second in Minnesota. The last FDIC-insured institution to be closed in the state was Horizon Bank, Pine City, on June 26, 2009.

#
