



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
July 24, 2009

Media Contact:
David Barr (202) 898-6992
Cell: (703) 622-4790
Email: dbarr@fdic.gov

Evans Bank, National Association, Angola, New York, Assumes All of the Deposits of Waterford Village Bank, Williamsville, New York

Waterford Village Bank, Williamsville, New York, was closed today by the New York State Banking Department, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Evans Bank, N.A., Angola, New York, to assume all of the deposits of Waterford Village Bank.

The single office of Waterford Village Bank will reopen on Monday as a branch of Evans Bank, N.A. Depositors of Waterford Village Bank will automatically become depositors of Evans Bank, 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 the existing branch until Evans Bank, N.A. can fully integrate the deposit records of Waterford Village Bank.

Over the weekend, depositors of Waterford Village 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 March 31, 2009, Waterford Village Bank had total assets of \$61.4 million and total deposits of approximately \$58 million. In addition to assuming all of the deposits of the failed bank, Evans Bank, N.A. agreed to purchase essentially all of the assets.

The FDIC and Evans Bank, N.A. entered into a loss-share transaction on approximately \$56 million of Waterford Village Bank's assets. Evans Bank, N.A. will share in the losses



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-129-2009

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 1-800-323-6111. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on Friday and Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m., EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/waterford.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$5.6 million. Evans Bank, N.A.'s acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Waterford Village Bank is the 58th FDIC-insured institution to fail in the nation this year, and the first in New York. The last FDIC-insured institution to be closed in the state was Reliance Bank, White Plains, March 19, 2004.

#