



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
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Alerus Financial, National Association, Grand Forks, North Dakota, Assumes All of the Deposits of BankFirst, Sioux Falls, South Dakota

BankFirst, Sioux Falls, South Dakota, was closed today by the South Dakota Division of Banking, 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 BankFirst.

The two offices of BankFirst will reopen on Monday. Alerus Financial, N.A. entered into a separate agreement to operate BankFirst's Sioux Falls location as a branch of First Dakota National Bank, Yankton, South Dakota. Alerus Financial, N.A. will operate the failed bank's Minneapolis location as a branch of Alerus Financial, N.A.

Depositors of BankFirst will automatically become depositors of Alerus Financial, N.A. or First Dakota National Bank, depending on the branch of their deposit. 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. and First Dakota National Bank can fully integrate the deposit records of BankFirst.

Over the weekend, depositors of BankFirst 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.



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-124-2009

As of April 30, 2009, BankFirst had total assets of \$275 million and total deposits of approximately \$254 million. In addition to assuming all of the deposits of the failed bank, Alerus Financial, N.A. will acquire \$72 million in assets, comprised of cash, securities and loans secured by deposits. The FDIC entered into a separate agreement with Beal Bank Nevada, Las Vegas, Nevada, to acquire \$177 million of the failed bank's loans. The FDIC will retain the remaining assets for later disposition.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-523-8209. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Friday and 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/bankfirst.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$91 million. Alerus Financial, National Association's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. BankFirst is the 55th FDIC-insured institution to fail in the nation this year, and the first in South Dakota. The last FDIC-insured institution to be closed in the state was First Federal Savings Bank of South Dakota, Rapid City, on April 24, 1992.

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