



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
February 6, 2009

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California Bank and Trust, San Diego, CA, Acquires All of the Deposits of Alliance Bank, Culver City, CA

Alliance Bank, Culver City, California, was closed today by the California Department of Financial Institutions, and the Federal Deposit Insurance Corporation (FDIC) was named receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with California Bank & Trust, San Diego, California, to assume all of the deposits of Alliance Bank.

Alliance Bank's five offices will reopen on Monday as branches of California Bank & Trust. Depositors of Alliance Bank will automatically become depositors of California Bank & Trust. 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 of both banks should continue to use their existing branches until California Bank & Trust can fully integrate the deposit records of Alliance Bank.

Over the weekend, depositors of Alliance 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 December 31, 2008, Alliance Bank had total assets of approximately \$1.14 billion and total deposits of \$951 million. In addition to assuming all of the deposits of the failed bank, including those from brokers, California Bank & Trust agreed to purchase approximately \$1.12 billion in assets at a discount of \$9.9 million. The FDIC will retain the remaining assets for later disposition.

The FDIC and California Bank & Trust entered into a loss-share transaction. California Bank & Trust 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



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-18-2009

assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers as they will maintain a banking relationship.

Customers who have questions about today's transaction can call the FDIC toll free at 1-800-523-8275. The phone number will be operational this evening until 9:00 p.m., PST; on Saturday from 9:00 a.m. to 6:00 p.m., PST; Sunday from Noon to 6:00 p.m., PST; and thereafter from 8:00 a.m. to 8:00 p.m., PST. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/alliance.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$206.0 million. California Bank & Trust's acquisition of all deposits was the "least costly" resolution for the FDIC's Deposit Insurance Fund compared to alternatives. Alliance Bank is the eighth to fail in the nation this year, and the second in California. The last bank to fail in the state was 1st Centennial Bank, Redlands, on January 23.