



# PRESS RELEASE

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

FOR IMMEDIATE RELEASE  
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## **FDIC Approves the Payout of the Insured Deposits of MagnetBank, Salt Lake City, Utah**

The Federal Deposit Insurance Corporation (FDIC) approved the payout of the insured deposits of MagnetBank, Salt Lake City, Utah. The bank was closed today by the Utah Department of Financial Institutions and the FDIC was named receiver.

After an extensive marketing process, the FDIC was unable to find another financial institution to take over the banking operations of MagnetBank. As a result, checks to the retail depositors for their insured funds will be mailed on Monday morning. Brokered deposits will be wired once brokers provide the FDIC with the necessary documents to determine if any of their clients exceed the insurance limits. Customers who placed money with brokers should contact them directly for more information about the status of their funds.

MagnetBank, as of December 2, 2008, had total assets of \$292.9 million and total deposits of \$282.8 million. It is estimated that the bank did not have any uninsured funds. Customers who have questions about today's transaction can call the FDIC toll free at 1-800-822-0412. The phone number will be operational this evening until 9:00 p.m. Mountain Standard Time (MST); on Saturday from 9:00 a.m. to 6:00 p.m. MST; and on Sunday from noon to 6:00 p.m. MST; and thereafter from 8:00 a.m. to 8:00 p.m. MST. Interested parties can also visit the FDIC's Web site at [www.fdic.gov/bank/individual/failed/magnet.html](http://www.fdic.gov/bank/individual/failed/magnet.html).

MagnetBank is the fourth FDIC-insured institution to fail this year and the first in Utah since Bank of Ephraim, was closed on June 25, 2004. The FDIC estimates the cost of the failure to its Deposit Insurance Fund to be approximately \$119.4 million.



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](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://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-12-2009