



PRESS RELEASE

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

December 10, 2010

Media Contact:
Greg Hernandez
(202) 898-6993
mediarequests@fdic.gov

Level One Bank, Farmington Hills, Michigan, Assumes All of the Deposits of Paramount Bank, Farmington Hills, Michigan

FOR IMMEDIATE RELEASE

Paramount Bank, Farmington Hills, Michigan, was closed today by the Michigan Office of Financial and Insurance Regulation, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Level One Bank, Farmington Hills, Michigan, to assume all of the deposits of Paramount Bank.

The four branches of Paramount Bank will reopen on Monday as branches of Level One Bank. Depositors of Paramount Bank will automatically become depositors of Level One Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Paramount Bank should continue to use their existing branch until they receive notice from Level One Bank that it has completed systems changes to allow other Level One Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Paramount 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 September 30, 2010, Paramount Bank had approximately \$252.7 million in total assets and \$213.6 million in total deposits. Level One Bank did not pay the FDIC a premium for the deposits of Paramount Bank. In addition to assuming all of the deposits of the failed bank, Level One Bank agreed to purchase essentially all of the assets.



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-263-2010

The FDIC and Level One Bank entered into a loss-share transaction on \$233.1 million of Paramount Bank's assets. Level One Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:
<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-881-7816. The phone number will be operational this evening until 9:00 p.m., Eastern Standard Time (EST); on Saturday from 9:00 a.m. to 6:00 p.m., EST; on Sunday from noon to 6:00 p.m., EST; and thereafter from 8:00 a.m. to 8:00 p.m., EST. Interested parties also can visit the FDIC's Web site at
<http://www.fdic.gov/bank/individual/failed/paramount.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$90.2 million. Compared to other alternatives, Level One Bank's acquisition was the least costly resolution for the FDIC's DIF. Paramount Bank is the 150th FDIC-insured institution to fail in the nation this year, and the fifth in Michigan. The last FDIC-insured institution closed in the state was Mainstreet Savings Bank, FSB, Hastings, on July 16, 2010.
