



# PRESS RELEASE

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

**FOR IMMEDIATE RELEASE**  
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## **Bank of Ann Arbor, Ann Arbor, Michigan, Assumes All of the Deposits of New Liberty Bank, Plymouth, Michigan**

New Liberty Bank, Plymouth, 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 Bank of Ann Arbor, Ann Arbor, Michigan, to assume all of the deposits of New Liberty Bank.

The sole branch of New Liberty Bank will reopen on Saturday as a branch of Bank of Ann Arbor. Depositors of New Liberty Bank will automatically become depositors of Bank of Ann Arbor. 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 branch until they receive notice from Bank of Ann Arbor that it has completed systems changes to allow other Bank of Ann Arbor branches to process their accounts as well.

This evening and over the weekend, depositors of New Liberty 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, 2010, New Liberty Bank had approximately \$109.1 million in total assets and \$101.8 million in total deposits. Bank of Ann Arbor did not pay the FDIC a premium for the deposits of New Liberty Bank. In addition to assuming all of 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.

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deposits of the failed bank, Bank of Ann Arbor agreed to purchase essentially all of the assets.

The FDIC and Bank of Ann Arbor entered into a loss-share transaction on \$95.2 million of New Liberty Bank's assets. Bank of Ann Arbor 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 1-800-894-6992. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on 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 also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/newlibertymi.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$25.0 million. Bank of Ann Arbor's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. New Liberty Bank is the 70th FDIC-insured institution to fail in the nation this year, and the third in Michigan. The last FDIC-insured institution closed in the state was CF Bancorp, Port Huron, on April 30, 2010.

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