



PRESS RELEASE

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

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Media Contact:
LaJuan Williams-Young
(202) 898-3876
lwiliams-young@fdic.gov

FDIC Creates a Deposit Insurance National Bank of Kaysville, Utah to Protect Insured Depositors of Barnes Banking Company, Kaysville, Utah
Zions First National Bank to Provide Temporary Operational Management

Barnes Banking Company, Kaysville, Utah, was closed today by the Utah Department of Financial Institutions, which appointed Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC created the Deposit Insurance National Bank of Kaysville (DINB), which will remain open until February 12, 2010 to allow depositors access to their insured deposits and time to open accounts at other insured institutions.

At the time of closing, the receiver immediately transferred to the DINB all insured deposits of Barnes Banking Company, except for brokered deposits, certificates of deposits (CDs) and individual retirement accounts (IRAs). The receiver also transferred to the DINB all secured deposits by public entities.

The FDIC will mail checks directly to customers with CDs and IRAs. For the brokered deposit customers, the FDIC will pay the brokers directly for the amount of their insured funds. Customers with brokered deposits should contact their brokers directly for information concerning their money.

The main office and all branches of Barnes Banking Company will open from 9:00 a.m. to 1:00 p.m., on Saturday. The DINB will maintain Barnes Banking Company's normal business hours thereafter. Zions First National Bank, Salt Lake City, Utah, will provide operational management of the DINB. Banking activities, such as direct deposit and writing checks, ATM and debit cards, can continue normally for former customers of Barnes Banking Company until February 12, 2010. Barnes Banking Company official checks will continue to clear and will be issued to customers closing accounts.



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-10-2010

All insured depositors of Barnes Banking Company are encouraged to transfer their insured funds to other banks during this transitional period. They may do so by asking their new bank to electronically transfer their deposits from the DINB or by writing checks for the amount in their accounts. For depositors who have not closed or transferred their accounts on or before February 12, 2010, the FDIC will mail checks to the address of record for the amount of the insured funds.

Under the FDI Act, the FDIC may create a deposit insurance national bank to ensure that depositors have continued access to their insured funds where no other bank has agreed to assume the insured deposits. This arrangement allows for uninterrupted direct deposits and automated payments from customers' accounts and allows them time to find another institution with which to do business.

As of September 30, 2009, Barnes Banking Company had \$827.8 million in total assets and \$786.5 million in total deposits. At the time of closing, the amount of deposits exceeding the insurance limits were undetermined. Uninsured deposits were not transferred to the DINB. The amount of uninsured deposits will be determined once the FDIC obtains additional information from those customers.

Customers with accounts in excess of \$250,000 should contact the FDIC toll-free at 1-800-528-4893 to set up an appointment to discuss their deposits. This phone number will be operational this evening until 9 p.m., Mountain Standard Time (MST); on Saturday from 9 a.m. to 6 p.m., MST; on Sunday from noon to 6 p.m., MST; and thereafter from 8 a.m. to 8 p.m., MST. Customers who would like more information on today's transaction should visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/barnes.html>.

Beginning Monday, depositors of Barnes Banking Company with more than \$250,000 at the bank may visit the FDIC's Web page "Is My Account Fully Insured?" at <http://www2.fdic.gov/dip/Index.asp> to determine their insurance coverage.

The FDIC as receiver will retain all the assets from Barnes Banking Company for later disposition. Loan customers should continue to make their payments as usual.

The cost to the FDIC's Deposit Insurance Fund is estimated to be \$271.3 million. Barnes Banking Company is the fourth bank to fail this year and the first in Utah. The last FDIC-insured institution closed in the state was America West Bank, Layton, on May 1, 2009.
