



PRESS RELEASE

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

June 8, 2012

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First State Bank, Mendota, Illinois, Assumes All of the Deposits of Farmers and Traders State Bank, Shabbona, Illinois

FOR IMMEDIATE RELEASE

Farmers and Traders State Bank, Shabbona, Illinois, was closed today by the Illinois Department of Financial and Professional 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 First State Bank, Mendota, Illinois, to assume all of the deposits of Farmers and Traders State Bank.

The two branches of Farmers and Traders State Bank will reopen on Saturday as branches of First State Bank. Depositors of Farmers and Traders State Bank will automatically become depositors of First State 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 Farmers and Traders State Bank should continue to use their existing branch until they receive notice from First State Bank that it has completed systems changes to allow other First State Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Farmers and Traders State 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, 2012, Farmers and Traders State Bank had approximately \$43.1 million in total assets and \$42.3 million in total deposits. In addition to assuming all of the deposits, First State Bank agreed to purchase essentially all of the failed bank's 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-66-2012

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-640-2607. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Saturday from 9:00 a.m. to 6:00 p.m., CDT; on Sunday from noon to 6:00 p.m., CDT; on Monday from 8 a.m. to 8 p.m., CDT; and thereafter from 9:00 a.m. to 5:00 p.m., CDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/ftsb.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$8.9 million. Compared to other alternatives, First State Bank's acquisition was the least costly resolution for the FDIC's DIF. Farmers and Traders State Bank is the 27th FDIC-insured institution to fail in the nation this year, and the second in Illinois. The last FDIC-insured institution closed in the state was Premier Bank, Wilmette, on March 23, 2012.
