



PRESS RELEASE

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

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Liberty Bank and Trust Company, New Orleans, Louisiana, Assumes All of the Deposits of Covenant Bank, Chicago, Illinois

FOR IMMEDIATE RELEASE

Covenant Bank, Chicago, Illinois, was closed today by the Illinois Department of Financial and Professional Regulation – Division of Banking, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Liberty Bank and Trust Company, New Orleans, Louisiana, to assume all of the deposits of Covenant Bank.

The sole branch of Covenant Bank will reopen during normal business hours as a branch of Liberty Bank and Trust Company. Depositors of Covenant Bank will automatically become depositors of Liberty Bank and Trust Company. 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 Covenant Bank should continue to use their current branch until they receive notice from Liberty Bank and Trust Company that systems conversions have been completed to allow full-service banking at all branches of Liberty Bank and Trust Company.

This evening and over the weekend, depositors of Covenant 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.



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-010-2013

As of December 31, 2012, Covenant Bank had approximately \$58.4 million in total assets and \$54.2 million in total deposits. In addition to assuming all of the deposits of the failed bank, Liberty Bank and Trust Company agreed to purchase essentially all of the assets.

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-830-4732. The phone number will be operational this evening until 9:00 p.m., Central Standard Time (CST); on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon to 6:00 p.m., CST; on Monday from 8:00 a.m. to 8:00 p.m., CST; and thereafter from 9:00 a.m. to 5:00 p.m., CST. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/covenant-il.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$21.8 million. Compared to other alternatives, Liberty Bank and Trust Company's acquisition was the least costly resolution for the FDIC's DIF. Covenant Bank is the 3rd FDIC-insured institution to fail in the nation this year, and the first in Illinois. The last FDIC-insured institution closed in the state was Citizens First National Bank, Princeton, on November 2, 2012.

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