



PRESS RELEASE

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

December 15, 2017

FDIC Call Center
1-877-367-2718

Royal Savings Bank, Chicago, Illinois, Acquires the Insured Deposits of Washington Federal Bank for Savings, Chicago, Illinois

Washington Federal Bank for Savings, Chicago, Illinois, was closed today by the Office of the Comptroller of the Currency, which then appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Royal Savings Bank, Chicago, Illinois, to assume the insured deposits of Washington Federal Bank for Savings.

The two branches of Washington Federal Bank for Savings will reopen as branches of Royal Savings Bank during their normal business hours starting Saturday. Depositors of the failed bank will automatically become depositors of Royal Savings Bank. Deposits assumed by Royal Savings Bank 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.

Over the weekend, customers of Washington Federal Bank for Savings 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, 2017, Washington Federal Bank for Savings had total assets of \$166.3 million and total deposits of \$144 million, of which there were approximately \$11.6 million that exceeded FDIC insurance limits. This estimate is likely to change once the FDIC obtains additional information from these customers.

Customers with accounts in excess of \$250,000 should contact the FDIC toll-free at 1-877-367-2718 to set up an appointment to discuss their deposits. This phone number will be operational this evening until 9:00 p.m., CST; on Saturday from 8:00 a.m. to 8:00 p.m., CST; on Sunday from 8:00 a.m. to 6:00 p.m., CST; Monday from 8:00 a.m. to 8:00 p.m., CST; and thereafter from 8:00 a.m. to 6:00 p.m., CST. All customers who would like more information on today's transaction can call the toll-free number or visit the FDIC's website at <https://www.fdic.gov/bank/individual/failed/wafedbank.html>.

Beginning Monday, depositors of Washington Federal Bank for Savings with more than \$250,000 at the bank may visit the FDIC's webpage "Is My Account Fully Insured?" at <https://closedbanks.fdic.gov/drip/AFI/Search> to determine their insurance coverage.

Royal Savings Bank agreed to assume the insured deposits for a 1.26% premium. It will also purchase approximately \$23.7 million of the failed bank's assets. The FDIC will retain the remaining assets for later disposition.

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The FDIC estimates that the failure will cost its Deposit Insurance Fund \$60.5 million. Washington Federal Bank for Savings is the eighth bank to fail in the nation this year, and the third in Illinois. The last bank failure in Illinois was Fayette County Bank, Saint Elmo, on May 26, 2017.

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insures deposits at the nation's banks and savings associations, 5,738 as of September 30, 2017. 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-96-2017

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