



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TO FULLY REIMBURSE UNINSURED DEPOSITORS AND CREDITORS OF GOLDEN PACIFIC NATIONAL BANK, NEW YORK CITY

The Federal Deposit Insurance Corporation announced today that uninsured depositors and other creditors of the former Golden Pacific National Bank, New York City, will be fully reimbursed as a result of FDIC success in liquidating the failed bank's assets.

Golden Pacific was declared insolvent by the Comptroller of the Currency on June 21, 1985, and the FDIC was appointed receiver. At the time the bank was closed, its liabilities amounted to \$155.6 million. Insured deposits of the Chinatown bank were transferred by the FDIC to The Hongkong and Shanghai Banking Corporation. Among the reasons for Golden Pacific's financial problems was the misapplication of funds from the sale of so-called "yellow certificates." The FDIC previously accorded full insured depositor status to most of the 363 individuals who held these yellow certificates, based on a 1986 determination by the United States District Court for the Southern District of New York.

In a bank failure, uninsured depositors and other creditors generally share pro rata in the proceeds realized from the liquidation of the failed bank's assets. Typically, the amount returned is less than 100 percent of the original amount claimed. In the case of Golden Pacific, FDIC efforts to collect on loans and sell assets were successful enough for the agency to return to these creditors all of their funds. The FDIC also has recovered all of its outlays and expenses.

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Robert M. Cittadino, Deputy Regional Director of the FDIC's Liquidation Division in New York City, said: "The FDIC legal and liquidation staff did an outstanding job collecting the bank's assets. We are pleased to be able to make uninsured depositors and creditors whole. This is good news for the FDIC and for these former depositors and creditors of Golden Pacific."

To receive their final payment, uninsured depositors and creditors must return their original "receiver's certificate" to the FDIC Regional Office at 452 Fifth Avenue, 21st Floor, New York, New York 10018. Individuals who no longer have an original receiver's certificate should contact a representative of the FDIC Regional Claims Department at 212-704-1200.

Including this final "dividend" of \$8,166,151, uninsured depositors and general creditors will have been paid a total of \$163,160,525 in dividend payments. Uninsured depositors and general creditors also may be entitled to an interest dividend if additional funds become available from the liquidation of remaining assets.

For further information, contact Mr. Cittadino or David T. Lok, FDIC Bank Liquidation Specialist, both in New York City at 212-704-1200.

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