

Press Releases

December 10, 2001

OTS 01-84 - FDIC, OTS Announce Agreement with Holding Companies of Superior Bank

Office of Thrift Supervision

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For further information

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OTS 01-84

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FDIC, OTS Announce Agreement with Holding Companies of Superior Bank

The Federal Deposit Insurance Corporation and the Office of Thrift Supervision announced today that they have reached a resolution with the holding companies of Superior Bank, FSB, Hinsdale, Illinois on all matters arising out of the operation and failure of Superior Bank. Under the terms of the agreement, the Superior holding companies and their owners (the Pritzker and Dworman interests) admit no liability and agree to pay the FDIC \$460 million and other consideration. The initial payment of \$100 million was made today. A promissory note for the remaining \$360 million to be paid over 15 years at no interest has been provided to the FDIC. The note is supported by letter of credit from Bank One in the initial amount of \$180 million, which will decline on a pro rata basis as the note is paid. The parties also agreed to share in recoveries from certain litigation relating to Superior Bank and for the FDIC to provide for indemnification on certain matters.

Superior was closed by the Office of Thrift Supervision on July 27, 2001. The FDIC was appointed receiver. On that date, OTS chartered a new institution and appointed the FDIC as its conservator. The FDIC transferred the insured deposits and nearly all the assets of Superior Bank into a new savings bank, Superior Federal. At the time of failure, Superior had assets of approximately \$2 billion. The FDIC and the OTS are continuing their investigations of the circumstances surrounding the failure of Superior to determine the potential liability of entities not included in the agreement.

Agency Parties Release, Schedule A - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84a.pdf>

Agency Parties Release, Schedule B - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84b.pdf>

Agency Parties Release, Schedule C - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84c.pdf>

Agency Parties Release - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84d.pdf>

Agreement Exhibit D - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84e.pdf>

Agreement Exhibit E - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84f.pdf>

Agreement Exhibit G - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84g.pdf>

Agreement (Superior) - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84h.pdf>

Joint Press Release - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84i.pdf>

Letter of Credit - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84j.pdf>

Note - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84k.pdf>

Superior Parties Release, Schedule A - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84l.pdf>

Superior Parties Release - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2001-84m.pdf>

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.