

Press Releases

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OTS 09-021 - OTS Closes American Sterling Bank and Appoints FDIC Receiver

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Washington, D.C. — The Office of Thrift Supervision (OTS) today closed the \$181 million American Sterling Bank of Sugar Creek, Missouri, and appointed the Federal Deposit Insurance Corporation (FDIC) as receiver.

A comprehensive examination of American Sterling that began on June 30, 2008 discovered poor record-keeping, a critical lack of capital and liquidity issues. OTS issued directives to remedy these deficiencies and issued a formal cease-and-desist enforcement order to the Board of Directors in August 2008. Despite these actions, the deficiencies caused American Sterling to be in an unsafe and unsound condition, and unable to continue operations. Attempts to complete a sale of the bank were unsuccessful.

American Sterling was established in 1907 as the Bank of Levasy, later became a national bank called Sugar Creek National Bank and became a federal savings bank regulated by the OTS in 2001.

American Sterling had 142 employees and \$166.7 million in retail deposits. The bank had its home office and two other full-service offices in the Kansas City area, and two other branches in Carefree, Ariz. and Foothill Ranch, Calif.

Depositors' accounts at American Sterling are insured by the FDIC's Deposit Insurance Fund up to the statutory limits. Customers with questions about the institution or about federal deposit insurance can call the FDIC toll-free at 1-866-954-9528. The telephone line will be available tonight until 9 p.m.; Saturday from 9:00 a.m. to 6:00 p.m.; Sunday from noon to 6:00 p.m.; and thereafter from 8:00 a.m. to 8:00 p.m. (all Central Standard Time).