

# **Texas Department of Banking**

## **Press Release**

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### **Regulators Close Millennium State Bank of Texas**

Date: July 2, 2009

Texas Banking Commissioner Charles G. Cooper announced today the closure of Millennium State Bank of Texas, Dallas, Texas. The Federal Deposit Insurance Corporation (FDIC) was appointed as receiver, and in a bidding process, State Bank of Texas, Irving, Texas, acquired all of the deposits of the failed institution. The bank will reopen Monday morning as a branch of State Bank of Texas. Due to the Independence Day Holiday, branches of State Bank of Texas, including the former Millennium location, will be closed Friday and Saturday. However, customers can obtain access to their funds over this extended weekend through ATM machines, debit cards and internet banking products. Additional information can be found on the FDIC's website.

As of June 30, 2009, Millennium State Bank of Texas had total assets of approximately \$118 million and total deposits of \$115 million. Commissioner Cooper stated that the bank closed due to poor oversight of lending activities and failure to properly manage interest rate risk. The institution encountered severe asset quality problems and has been unprofitable since 2005. The Board of Directors was unsuccessful in resolving these significant problems, resulting in the bank's closure.

Millennium State Bank of Texas is the only Texas state-chartered bank to be closed in 2009. Millennium is located 12 miles north of downtown Dallas near the intersection of Interstate Highway 635 and Webb Chapel Road. Commissioner Cooper stated that he was pleased that another Metroplex institution familiar with the local market conditions was able to acquire Millennium and that its customers should see no interruption in services or access to their funds.

The Texas Department of Banking supervises 325 state-chartered financial institutions with total assets exceeding \$167 billion.