



For Immediate Release

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**United American Bank Announces Agreement for Capital;
ATBancorp to Invest \$10 Million**

San Mateo, CA – October 11, 2011 – United American Bank (OTCBB: UABK), has entered into an agreement with ATBancorp of Dubuque, Iowa, for an initial investment of \$10 million in United American Bank’s capital stock. The initial investment is scheduled to be completed on October 31, 2011, subject to various closing conditions including regulatory approvals of the Federal Reserve Board, California Department of Financial Institutions, and the Federal Deposit Insurance Corporation. Additionally, the closing of the initial investment is subject to the restructuring of United American Bank’s TARP preferred stock to the satisfaction of ATBancorp. Upon completion of the initial investment, the Bank’s capital ratios would qualify as “well capitalized” as calculated under customary bank regulatory standards.

The investment agreement provides for ATBancorp’s initial purchase of \$10.0 million in common and common stock equivalent preferred stock at the price of \$0.30 per common share. ATBancorp will also receive warrants to acquire 2,500,000 common shares at \$0.30 per share exercisable for 5 years following the initial closing. The agreement further provides that, on a quarterly basis over the next two years, ATBancorp will purchase and United American Bank will sell common stock in the future to maintain the Bank as adequately capitalized under regulatory computations. Any subsequent investments are expected to be purchased at a price based on sixty-eight percent of the then per share book value of the Bank. Under the terms of the investment agreement, the members of the Bank’s board of directors are also required to subscribe for the purchase of \$1.1 million in common stock at \$0.30 per common share. The Bank currently has approximately 2.4 million common shares outstanding. Following the investment by ATBancorp, United American Bank will continue to operate as a full service community bank in its current marketplace headquartered in San Mateo.

President and CEO John Schrup stated “We at United American Bank are pleased that ATBancorp has shown its confidence in our bank and that it will share its managerial resources with us as we work to resolve the challenges of our bank. There are still a number of hurdles to cross, including obtaining regulatory approvals and agreements, before this capital infusion becomes a reality. This capital is a critical component in

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stabilizing our bank and starting us on the path to a successful future. This allows our bank to maintain its commitment to serving our community and our customers.”

About United American Bank

United American Bank is a full-service commercial bank located in San Mateo County. The bank is dedicated to providing quality banking and financial services to businesses, professionals and individuals who prefer a high level of personalized client service and management. For more information, visit United American Bank on the web at www.UnitedAmericanBank.com or call 650-579-1500.

Safe Harbor

Certain matters discussed in this press release constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements relate to the bank’s current expectations regarding future operating results and the growth in loans, deposits, and assets. These forward looking statements are subject to certain risks and uncertainties that could cause the actual results, or performance to differ materially from those expressed, suggested or implied by the forward looking statements.

These risks and uncertainties include, but are not limited to: (1) the impact on the bank’s performance from changes in interest rates, local and national economic conditions, and the number of financial services providers, (2) the banks ability to continue the current rate of growth, (3) the banks ability to increase net interest income (4) the quality of the loan portfolio and (5) changes in government regulations.