



NEWS RELEASE

FOR IMMEDIATE RELEASE

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**FDIC APPROVES DEPOSIT ASSUMPTION OF
THE PEOPLES BANK & TRUST COMPANY, NATCHITOCHE, LOUISIANA**

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of The Peoples Bank & Trust Company, Natchitoches, Louisiana, by three Louisiana banks. The three banks involved in today's transaction are: Heritage Bank of Natchitoches, Natchitoches, Louisiana, a newly chartered bank subsidiary of Heritage Financial Corp., Ruston, Louisiana; American Security Bank of Ville Platte, Ville Platte, Louisiana; and Tri-State Bank and Trust, Haughton, Louisiana.

The Peoples Bank & Trust Company, with total assets of \$115.1 million, was closed on Friday, October 5, 1990, by Fred C. Dent, Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

The failed bank's 10 offices will reopen on Monday, October 8, 1990, as branches of the assuming banks. The three offices in the Natchitoches area will reopen as the main office and two branches of Heritage Bank of Natchitoches; the four offices in the Alexandria area will reopen as branches of American Security Bank of Ville Platte; and the three offices in the Shreveport area will reopen as branches of Tri-State Bank and Trust. The failed bank's depositors automatically will become depositors of their respective assuming bank.

Heritage Bank of Natchitoches will assume about \$53.8 million in 6,700 deposit accounts at The Peoples Bank & Trust Company's three Natchitoches offices and will purchase approximately \$30.6 million of the failed bank's assets, including \$3.1 million of the bank's small loans at a discount of \$725,000.

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American Security Bank of Ville Platte will assume about \$26.5 million in 5,200 deposit accounts at The Peoples Bank & Trust Company's four Alexandria offices and will purchase approximately \$18.3 million of the failed bank's assets at a discount of \$2,708,000.

Tri-State Bank and Trust, Haughton, will assume about \$34.3 million in 3,800 deposit accounts at The Peoples Bank & Trust Company's three Shreveport offices and will purchase approximately \$32.8 million of the failed bank's assets at a discount of \$4,914,000.

The FDIC elected to proceed with this approach because the failed bank's branches were concentrated in three separate and distinct markets. The agency was able to easily identify the assets and deposits associated with each market, which aided in facilitating the acquisitions.

To facilitate the transaction, the FDIC will advance \$41.0 million to the acquirers and will retain \$33.4 million of the failed bank's assets. The FDIC will recover a portion of its outlay through the sale of assets from the failed bank. The Board of Directors approved the deposit assumptions under its authority to do so whenever it determines that such transactions will reduce the potential loss to the FDIC.

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