



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF ORLEANS BANK AND TRUST COMPANY, NEW ORLEANS, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of Orleans Bank and Trust Company, New Orleans, Louisiana, by Mississippi River Bank, Belle Chasse, Louisiana.

The failed bank's sole office will reopen on Friday, January 13, 1989, as a branch of Mississippi River Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Orleans Bank and Trust Company, with total assets of \$22.0 million, was closed on Thursday, January 12, 1989, by Fred C. Dent, Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

Mississippi River Bank will assume about \$22.8 million in 1,700 deposit accounts. It also will purchase certain of the failed bank's assets for \$3.9 million and will have options to purchase loans and other assets. To facilitate the transaction, the FDIC will advance about \$18.9 million to the assuming bank and will retain assets of the failed bank with a book value of about \$18.1 million.

The Board of Directors approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC.

The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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