



## NEWS RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF ST. TAMMANY NATIONAL BANK, MANDEVILLE, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and other liabilities of St. Tammany National Bank, Mandeville, Louisiana, by Whitney National Bank in St. Tammany Parish, Mandeville, Louisiana, a newly-chartered national bank subsidiary of Whitney Holding Corporation, New Orleans, Louisiana.

The failed bank's three offices will reopen on Friday, April 7, 1989, as Whitney National Bank in St. Tammany Parish and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

St. Tammany National Bank, with total assets of about \$50.1 million, was closed on Thursday, April 6, 1989, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

Whitney National Bank in St. Tammany Parish will assume about \$50.3 million in 5,900 deposit accounts and will purchase \$49.2 million of the failed bank's assets at a discount of \$4,885,000. The FDIC will retain assets of the failed bank with a book value of \$929,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held in receivership. Additionally, because the assets and deposits will be administered by the Whitney National Bank in St. Tammany Parish, the failed bank's customers will have the benefit of continuous uninterrupted service.

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