



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-107-89 (5-24-89)

FDIC APPROVES ASSUMPTION OF DEPOSITS OF COMMERCE AND ENERGY BANK OF LAFAYETTE, LAFAYETTE, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Commerce and Energy Bank of Lafayette, Lafayette, Louisiana, by MidSouth National Bank, Lafayette, Louisiana.

The failed bank's three offices will reopen on Thursday, May 25, 1989, as branches of MidSouth National Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Commerce and Energy Bank of Lafayette, with total assets of \$32.9 million, was closed on Wednesday, May 24, 1989, by Fred C. Dent, Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

MidSouth National Bank will assume about \$30.4 million in 2,900 deposit accounts and will purchase approximately \$31.2 million of the failed bank's assets at a discount of \$6,192,327. The FDIC will retain assets of the failed bank with a book value of about \$1.7 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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by MidSouth National Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

###