



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF THE OLLA STATE BANK, OLLA, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured or preferred liabilities of The Olla State Bank, Olla, Louisiana, by Jonesville Bank & Trust Company, Jonesville, Louisiana.

The failed bank's two offices will reopen on Friday, October 6, 1989, as branches of Jonesville Bank & Trust Company and its depositors automatically will become depositors of the assuming bank.

The Olla State Bank, with total assets of \$22.6 million, was closed on Thursday, October 5, 1989, by Fred C. Dent, Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

Jonesville Bank & Trust will assume about \$22.8 million in 3,000 deposit accounts and will purchase approximately \$22.6 million of the failed bank's assets at a discount of \$3,904,000.

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 and liquidated in receivership. Additionally, because the assets and deposits will be administered by Jonesville Bank & Trust Company, the failed bank's customers will have the benefit of continuous uninterrupted service.

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