



NEWS RELEASE

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PR-208-89 (10-26-89)

FDIC APPROVES ASSUMPTION OF DEPOSITS OF FIRST SECURITY BANK AND TRUST COMPANY, HAUGHTON, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First Security Bank and Trust Company, Haughton, Louisiana, by Tri-State Bank and Trust, Haughton, Louisiana, a newly-chartered state bank.

The failed bank's two offices will reopen on Friday, October 27, 1989, as Tri-State Bank and Trust, and its depositors automatically will become depositors of the assuming bank.

First Security Bank and Trust Company, with total assets of \$20.2 million, was closed on Thursday, October 26, 1989, by Fred C. Dent, Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

Tri-State Bank and Trust will assume about \$20.4 million in 6,500 deposit accounts and will purchase approximately \$20 million of the failed bank's assets at a discount of \$6,037,000.

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 Tri-State Bank and Trust, the failed bank's customers will have the benefit of continuous uninterrupted service.

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