



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-218-89 (11-9-89)

FDIC APPROVES ASSUMPTION OF DEPOSITS OF NATIONAL INDUSTRIAL BANK OF CONNECTICUT, MERIDEN, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of National Industrial Bank of Connecticut, Meriden, Connecticut, by Central Bank, Meriden, Connecticut. The failed bank's three offices will reopen on Monday, November 13, 1989, as branches of Central Bank, and its depositors automatically will become depositors of the assuming bank.

National Industrial Bank of Connecticut, with total assets of about \$48.9 million, was closed on Thursday, November 9, 1989, by Fred D. Finke, Director of Special Supervision, Comptroller of the Currency, and the FDIC was named receiver.

Central Bank will assume about \$47.7 million in 7,300 deposit accounts and will purchase approximately \$42.0 million of the failed bank's assets, including \$3.2 million of the bank's small loans at a discount of \$381,699.

To facilitate the transaction the FDIC will advance \$6.1 million to the assuming bank and will retain assets of the failed bank with a book value of \$6.9 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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