



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES ASSUMPTION OF DEPOSITS OF ORANGE STATE BANK, MIAMI, FLORIDA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Orange State Bank, Miami, Florida, by the newly chartered Helm Bank, Miami, Florida. The failed bank's sole office will reopen on Monday, December 11, 1989, as Helm Bank, and its depositors automatically will become depositors of the assuming bank.

Orange State Bank, with total assets of about \$7.6 million, was closed on Friday, December 8, 1989, by Gerald Lewis, State Comptroller, and the FDIC was named receiver.

Helm Bank will assume about \$7.5 million in 1,100 deposit accounts and will pay the FDIC a purchase premium of \$301,000. It also will purchase approximately \$6.0 million of the failed bank's assets, including \$1,035,000 of the bank's small loans.

To facilitate the transaction the FDIC will advance about \$1.3 million to the assuming bank and will retain assets of the failed bank with a book value of \$1.6 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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