



NEWS RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF AMERICA BANK IN LOUISIANA, MORGAN CITY, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of America Bank in Louisiana, Morgan City, Louisiana, by The St. Mary Bank and Trust Company, Franklin, Louisiana.

The failed bank's sole office will reopen on Friday, December 11, 1987, as a branch of The St. Mary Bank and Trust Company and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

America Bank in Louisiana, with total assets of about \$16.4 million, was closed on Thursday, December 10, 1987, by Fred C. Dent, Jr., Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

The St. Mary Bank and Trust Company will assume about \$15.7 million in 3,400 deposit accounts and will purchase approximately \$15.8 million of the failed bank's assets at a discount of \$4,065,000.

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 substantially 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 The St. Mary Bank and Trust Company, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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