



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC APPROVES DEPOSIT ASSUMPTION OF AMERICAN BANK OF COMMERCE, LAKE CHARLES, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of American Bank of Commerce, Lake Charles, Louisiana, by National Bank of Commerce of Lake Charles, Lake Charles, Louisiana.

The failed bank's five offices will reopen on Friday, December 18, 1987, as branches of National Bank of Commerce of Lake Charles and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

American Bank of Commerce, with total assets of about \$33.5 million, was closed on Thursday, December 17, 1987, by Fred C. Dent, Jr., Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

National Bank of Commerce of Lake Charles will assume about \$34.5 million in 6,300 deposit accounts and will purchase \$28.6 million of the failed bank's assets at a discount of \$2,993,718.

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 National Bank of Commerce of Lake Charles, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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