



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF CLAIBORNE BANK & TRUST COMPANY, HOMER, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Claiborne Bank & Trust Company, Homer, Louisiana, by The Homer National Bank, Homer, Louisiana.

The failed bank's two offices will reopen on Thursday, June 30, 1988, as branches of The Homer National Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Claiborne Bank & Trust Company, with total assets of about \$12.6 million, was closed on Wednesday, June 29, 1988, by Fred C. Dent, Jr., Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

The Homer National Bank will assume about \$12.4 million in 2,800 deposit accounts and will purchase all of the failed bank's assets at a discount of \$1,275,000.

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 The Homer National Bank, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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