FDIC NEWS RELEASE

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FDIC GRANTS ASSISTANCE TO PREVENT FAILURE OF
CITIZENS BANK & TRUST COMPANY, ARCADIA, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation today announced it has granted financial assistance under Section 13(c) of the Federal Deposit Insurance (FDI) Act to prevent the failure of Citizens Bank & Trust Company, Arcadia, Louisiana. The transaction is effective as of December 31, 1986. The FDIC acted following notification by Louisiana Commissioner of Financial Institutions Kenneth Pickering that Citizens Bank & Trust Company was in danger of failing.

As a result of this action, the one office of Citizens Bank & Trust Company will become a branch of The First National Bank, Bienville Parish, Louisiana, and uninterrupted service will be afforded all deposit and loan customers of the bank. Citizens Bank & Trust Company has assets of $10.4 million and deposits of $10.7 million.

The FDIC's financial assistance consists of the purchase of $377,000 of poor quality assets from the bank.

The FDIC usually acts following the failure of a commercial bank either to arrange for its deposits to be assumed by a healthy bank or, if that is not possible, to pay off insured depositors and liquidate the failed bank's assets. However, when determined to be less costly than either a deposit assumption or a deposit payoff, Section 13(c) of the FDI Act allows the FDIC to provide assistance to an open bank. The FDIC's Board, as a matter of policy, generally will approve a proposal requesting assistance to prevent the closing of an insured bank only where it determines that the proposal is clearly the least costly alternative to the FDIC and that other criteria of

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the FDIC Statement of Policy on Assistance to Operating Insured Banks have been satisfied.

The FDIC Board voted to approve the Citizens Bank & Trust Company assistance transaction based on the determination that it was in compliance with the mandatory cost test as well as these policy criteria.

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