



PRESS RELEASE

Federal Deposit Insurance Corporation

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NORWALK SAVINGS SOCIETY, NORWALK, CONNECTICUT ASSUMES DEPOSITS OF FAIRFIELD FIRST BANK AND TRUST COMPANY, SOUTHPORT, CONNECTICUT

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation approved the assumption of all the deposits of Fairfield First Bank & Trust Company, Southport, Connecticut, by Norwalk Savings Society, Norwalk, Connecticut.

Fairfield First was closed today by John Burke, Connecticut Banking Commissioner, and the FDIC was named receiver.

The failed bank's two offices will reopen as branches of Norwalk Savings Society on Saturday, July 13. Fairfield First's depositors will automatically become depositors of the assuming bank.

Norwalk Savings Society will assume \$57.5 million in about 3,800 deposit accounts and will pay the FDIC a premium of \$3.9 million for the right to receive the failed bank's deposits and to purchase \$39.8 million in assets. Fairfield First had total assets of \$60.7 million.

In a separate agreement, New England Bank and Trust Company, Windsor, Connecticut, will pay the FDIC a premium of \$24,000 to purchase \$1 million of the failed bank's assets. The FDIC will retain approximately \$19.9 million of the failed bank's assets.

The FDIC estimates the cost of this transaction to the Bank Insurance Fund (BIF) to be approximately \$5.1 million.

The FDIC notes that its claim on recoveries from the sale of the failed bank's assets will have priority over non-depositor creditors of the failed bank.

Fairfield First is the fourth BIF-insured bank failure in the U.S. this year and the first in Connecticut since Founders Bank, New Haven, was closed on July 28, 1995.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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