



PRESS RELEASE

Federal Deposit Insurance Corporation • Each depositor insured to at least \$250,000

October 25, 2019

FDIC Customer Service Call Center
Toll Free - 1-877-755-6665

Kentucky Farmers Bank Corporation Assumes All of the Deposits of Louisa Community Bank

WASHINGTON – Louisa Community Bank in Louisa, Ky., was closed today by the Kentucky Department of Financial Institutions, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect depositors, the FDIC entered into a purchase and assumption agreement with Kentucky Farmers Bank Corporation in Catlettsburg, Ky., to assume all of the deposits of Louisa Community Bank.

The sole branch of Louisa Community Bank will reopen as a branch of Kentucky Farmers Bank Corporation on Saturday, October 26, 2019. Depositors of Louisa Community Bank will automatically become depositors of Kentucky Farmers Bank Corporation. Deposits will continue to be insured by the FDIC, so customers do not need to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Louisa Community Bank should continue to use their existing branch until they receive notice from Kentucky Farmers Bank Corporation that it has completed systems changes to allow other Kentucky Farmers Bank Corporation branches to process their accounts as well.

This evening and over the weekend, depositors of Louisa Community Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of June 30, 2019, Louisa Community Bank had approximately \$29.7 million in total assets and \$26.5 million in total deposits. In addition to assuming all of the deposits of the failed bank, Kentucky Farmers Bank Corporation agreed to purchase essentially all of the assets.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$4.5 million. Compared to other alternatives, Kentucky Farmers Bank Corporation's acquisition was the least costly resolution for the FDIC's DIF. Louisa Community Bank is the second FDIC-insured institution to fail in the nation this year. The last bank failure was Enloe State Bank in Cooper, Texas, on May 31. The last FDIC-insured institution closed in the state was First Federal Bank, Lexington, Ky. on April 19, 2013.

The overall health of the banking system today remains strong, as reported in the FDIC's most recent [Quarterly Banking Profile](#). On average, roughly five banks go out of business each year according to FDIC data. There have been only three years since 1933 without a single bank failure.

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Customers with questions about the transaction should call the FDIC toll-free at 1-877-755-6665. The phone number will be operational this evening until 9:00 p.m., Eastern Time (ET); on Saturday from 8:00 a.m. to 6:00 p.m., ET; on Sunday from noon to 6:00 p.m., ET; on Monday from 8:00 a.m. to 8:00 p.m., ET; and thereafter from 9:00 a.m. to 5:00 p.m., ET. Interested parties also can visit the FDIC's website at <https://www.fdic.gov/bank/individual/failed/louisacomm.html>.

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insures deposits at the nation's banks and savings associations, 5,303 as June 30, 2019. 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.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-96-2019

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