



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC APPROVES THE ASSUMPTION OF THE INSURED DEPOSITS OF THE FARMERS BANK & TRUST OF CHENEYVILLE, CHENEYVILLE, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved the assumption of the insured deposits of The Farmers Bank & Trust of Cheneyville, Cheneyville, Louisiana, by Sabine State Bank and Trust Company, Many, Louisiana.

Farmers Bank, with total assets of \$37.0 million, was closed today by the Louisiana Commissioner of Financial Institutions, and the FDIC was named receiver.

Sabine State Bank has agreed to assume approximately \$31.3 million of insured deposits of the failed bank. At the time of closure, Farmers Bank had about \$1.8 million in deposits in 48 accounts that exceeded the federal deposit insurance limit.

The failed bank's sole office will reopen tomorrow as a branch of Sabine State Bank. Deposit customers of Farmers Bank will automatically become depositors of the assuming bank. All depositors will continue to have immediate access to their insured funds.

Customers with more than \$100,000 on deposit at the failed bank should contact the FDIC toll-free at 1-866-621-9281 and ask to speak with a claims agent. The toll-free number will be operational today until 5:00 p.m. Central Time, and from 7:30 a.m. to 4:30 p.m. thereafter, Monday through Friday.

Sabine State Bank has agreed to pay the FDIC a premium of 1.35 percent of the insured deposits being assumed and to purchase approximately \$2.2 million of the failed bank's assets. The FDIC as receiver will retain the remaining assets of Farmers Bank for later disposition.



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.

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-131-2002

The FDIC is unable to provide a loss estimate at this time due to deceptive lending practices at the bank. Farmers Bank is the eleventh FDIC-insured failure this year and the first bank to fail in Louisiana since Southwest Bank, Jennings, was closed on November 21, 1997.