



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## **FDIC APPROVES ASSUMPTION OF ALL DEPOSITS OF THE BANK OF HARTFORD, INC., HARTFORD, CONNECTICUT**

### FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of all the deposits of The Bank of Hartford, Inc., Hartford, Connecticut, by Eagle Federal Savings Bank, Bristol, Connecticut.

The Bank of Hartford, with total assets of \$349.6 million, was closed on Friday, June 10, 1994, by Ralph M. Shulansky, Connecticut Banking Commissioner, and the FDIC was named receiver.

The failed bank's seven offices will reopen on Saturday, June 11, as branches of Eagle Federal, and its depositors automatically will become depositors of the assuming bank. Eagle Federal will assume about \$273.0 million in about 24,100 deposit accounts.

The assuming bank will pay a premium of \$8,705,000 for the right to receive the failed bank's deposits and will purchase \$210.4 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$53.9 million to the assuming bank and will retain assets of the failed bank with a book value of about \$139.2 million.

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 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. The Bank of Hartford is the fifth bank failure in the U.S. this year and the first in Connecticut. In 1993, 41 banks in the U.S. and one in Connecticut were closed.



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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