



# NEWS RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF SENTINEL BANK, HARTFORD, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Sentinel Bank, Hartford, Connecticut, by Society for Savings, Hartford, Connecticut.

Sentinel Bank, with total assets of \$73.5 million, was closed on Friday, January 31, 1992, by Ralph M. Shulansky, Connecticut Bank Commissioner, and the FDIC was named receiver.

The failed bank's sole office will reopen on Monday, February 3, 1992, as a branch of Society for Savings, and its depositors automatically will become depositors of the assuming bank.

Society for Savings will assume about \$69.8 million in about 3,200 deposit accounts. It will pay a premium of \$50,000 for the right to receive the failed bank's deposits and will purchase \$657,000 of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$69.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$72.8 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.

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