



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF DEPOSITS OF COLONY SAVINGS BANK, WALLINGFORD, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Colony Savings Bank, Wallingford, Connecticut, by The New Haven Savings Bank, New Haven, Connecticut.

The failed bank's sole office will reopen on Saturday, February 29, 1992, as a branch of The New Haven Savings Bank, and its depositors automatically will become depositors of the assuming bank.

Colony Savings, with total assets of \$31.2 million, was closed on Friday, February 28, 1992, by Ralph M. Shulansky, Connecticut Banking Commissioner and the FDIC was named receiver.

The New Haven Savings Bank will assume about \$27.3 million in about 5,600 deposit accounts. It will pay a premium of \$164,000 for the right to receive the failed bank's deposits and will purchase \$16.1 million of the failed bank's assets, including \$12.2 million in loans. To facilitate the transaction, the FDIC will advance about \$14.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$15.1 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. Non-depositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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