



NEWS RELEASE

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FDIC TRANSFERS INSURED DEPOSITS OF BROADWAY BANK AND TRUST COMPANY, PATERSON, NEW JERSEY

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits of Broadway Bank and Trust Company, Paterson, New Jersey, to Hudson United Bank, Union City, New Jersey. The failed bank's eight offices will reopen on Monday, March 16, 1992, as branches of Hudson United Bank. Drive-thru and walk-thru facilities will be open on Saturday, March 14, 1992, but withdrawals on Saturday will be limited to \$200 per customer.

The Board of Directors decided to arrange an insured deposit transfer because the FDIC could not quantify the value of the failed bank's assets.

Broadway Bank and Trust, with total assets of about \$386.4 million, was closed on Friday, March 13, 1992, by Jeffrey Connor, New Jersey Bank Commissioner, and the FDIC was named receiver. At the time the bank closed, its deposits totaled about \$370.3 million in about 41,000 deposit accounts, including approximately \$6.3 million in 255 accounts that exceeded the federal insurance limit of \$100,000.

Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Monday, March 16, 1992. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored. Customers with questions about uninsured deposits may call FDIC personnel at the bank at (201) 742-6000.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they

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should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$3,406,000 for the right to receive the transferred deposits. It also will purchase \$54.6 million of the failed bank's assets. The FDIC will retain assets of the failed bank with a book value of \$331.8 million. Uninsured depositors and 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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