



NEWS RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF WORKINGMEN'S CO-OPERATIVE BANK, BOSTON, MASSACHUSETTS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Workingmen's Co-operative Bank, Boston, Massachusetts, by The First National Bank of Boston, (Bank of Boston), Boston, Massachusetts.

The failed bank's five offices will reopen on Saturday, May 30, 1992, as branches of Bank of Boston, and its depositors automatically will become depositors of the assuming bank.

Workingmen's Co-operative Bank, with total assets of \$223.7 million, was closed on Friday, May 29, 1992, by Michael C. Hanson, Massachusetts Bank Commissioner, and the FDIC was named receiver.

Bank of Boston will assume about \$189.9 million in about 23,200 deposit accounts, including approximately \$10.0 million in 190 accounts that exceeded the FDIC insurance limit of \$100,000. The Co-operative Central Bank, a corporation established to provide financial assistance and deposit insurance to Massachusetts' cooperative banks, provided the FDIC \$736,000 to facilitate the assumption of the \$10.0 million in uninsured deposits.

The assuming bank will pay a premium of \$2.5 million for the right to receive the failed bank's deposits and will purchase \$18.3 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$151.7 million to the assuming bank and will retain assets of the failed

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bank with a book value of about \$203.7 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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