



## NEWS RELEASE

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### FDIC APPROVES ASSUMPTION OF DEPOSITS OF LANDMARK BANK FOR SAVINGS, WHITMAN, MASSACHUSETTS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Landmark Bank for Savings, Whitman, Massachusetts, by Abington Savings Bank, Abington, Massachusetts.

The failed bank's two offices will reopen on Saturday, June 13, 1992, as branches of Abington Savings, and its depositors automatically will become depositors of the assuming bank.

Landmark Bank, with total assets of \$54.4 million, was closed on Friday, June 12, 1992, by Michael C. Hanson, Massachusetts Bank Commissioner, and the FDIC was named receiver.

Abington will assume about \$43.5 million in about 11,100 deposit accounts, including approximately \$527,000 in ten accounts that exceeded the FDIC insurance limit of \$100,000. The Mutual Savings Central Fund, Inc., a corporation established to provide financial assistance and deposit insurance to Massachusetts' savings banks, through its Deposit Insurance Fund provided the FDIC \$119,000 to facilitate the assumption of the \$527,000 in uninsured deposits.

It will pay a premium of \$2.4 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 \$22.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$36.1 million.

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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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