



# NEWS RELEASE

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## FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF OLYMPIC INTERNATIONAL BANK AND TRUST, BOSTON, MASSACHUSETTS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of Olympic International Bank and Trust, Boston, Massachusetts, by Haymarket Cooperative Bank, Boston, Massachusetts.

The failed bank's sole office will not reopen, but customers will have access to their insured deposits at Haymarket's office on 280 Atlantic Ave., Boston, Massachusetts, beginning Monday, June 29, 1992. The failed bank's depositors automatically will become depositors of the assuming bank.

Olympic International, with total assets of \$140.3 million, was closed on Friday, June 26, 1992, by Michael C. Hanson, Massachusetts Banking Commissioner, and the FDIC was named receiver.

Haymarket Cooperative will assume about \$141.7 million in about 3,800 deposit accounts. At the time the bank closed, it had approximately \$618,000 in 33 accounts that exceeded the federal insurance limit of \$100,000 and will not be assumed by Haymarket Cooperative Bank.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, equal to 75 percent of the uninsured claims. If actual collection on the assets of the failed bank exceed this initial payment, unsecured creditors and uninsured depositors ultimately will receive additional payments on their claim.

The assuming bank will pay a nominal premium for the right to

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receive the failed bank's deposits and will purchase \$12.9 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$127.7 million to the assuming bank and will retain assets of the failed bank with a book value of about \$135.8 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. Non-depositor creditors, including uninsured depositors, will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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