



NEWS RELEASE

FOR IMMEDIATE RELEASE
PR-114-92 (8-14-92)

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
WINCHENDON SAVINGS BANK, WINCHENDON, MASSACHUSETTS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Winchendon Savings Bank, Winchendon, Massachusetts, by Athol Savings Bank, Athol, Massachusetts.

The failed bank's two offices will reopen on Saturday, August 15, 1992, as branches of Athol Savings Bank, and its depositors automatically will become depositors of the assuming bank.

Winchendon Savings Bank, with total assets of \$66.2 million, was closed on Friday, August 14, 1992, by Thomas Curry, acting Massachusetts Bank Commissioner, and the FDIC was named receiver.

Athol Savings Bank will assume about \$64.1 million in about 11,400 deposit accounts, including about \$3.6 million in 74 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 \$309,000 to facilitate the assumption of the \$3.6 million in uninsured deposits.

The assuming bank will purchase \$45.1 million of the failed bank's assets at a discount of \$500,000. To facilitate the transaction, the FDIC will advance about \$15.2 million to the assuming bank and will retain assets of the failed bank with a book value of about \$21.1 million.

The Board of Directors approved the deposit assumption under its

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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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