



NEWS RELEASE

FOR IMMEDIATE RELEASE
PR-168-92 (12-4-92)

Media Contact:
Andrew Porterfield (202) 898-6593

FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF BURRITT INTERFINANCIAL BANCORPORATION, NEW BRITAIN, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of Burritt InterFinancial Bancorporation, New Britain, Connecticut, by Derby Savings Bank, Derby, Connecticut.

Of the failed bank's 13 offices, 11 will reopen on Monday, December 7, 1992, as branches of Derby Savings Bank. Customers will have access to their accounts by ATM beginning Saturday, December 5. The Southington and Vernon offices will not reopen. The failed bank's insured deposits automatically will become deposits of the assuming bank.

Burritt InterFinancial, with total assets of \$546.4 million, was closed on Friday, December 4, 1992, by Ralph M. Shulansky, Connecticut Banking Commissioner, and the FDIC was named receiver.

Derby Savings Bank will assume about \$479.4 million in about 52,700 deposit accounts. It will pay a premium of \$6.25 million for the right to receive the failed bank's deposits and will purchase \$233.0 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$239.3 million to the assuming bank and will retain assets of the failed bank with a book value of about \$313.4 million. At the time the bank closed, it had approximately \$10.0 million in about 800 accounts that exceeded the federal insurance limit of \$100,000 and will not be assumed by Derby Savings Bank.

The Board of Directors also voted to make a prompt advance payment to uninsured depositors equal to 72 percent of the uninsured claims. Uninsured

(more)

FEDERAL DEPOSIT INSURANCE CORPORATION, 550 Seventeenth St., N.W., Washington, D.C. 20429 • 202-898-6996

depositors can phone the FDIC at (203) 225-7601 beginning Saturday, December 5, to schedule an appointment with a claims agent. Arrangements will then be made for customers to receive their advance payment checks.

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. The FDIC notes that its claim on recoveries from the sale of the failed bank's assets will have priority over non-depositor creditors of the failed bank.

##