



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC DENIES APPLICATIONS FOR FEDERAL DEPOSIT INSURANCE FROM FIVE PRIVATELY INSURED RHODE ISLAND BANKS

The FDIC Board of Directors has denied applications for deposit insurance from five Rhode Island banks whose operations had been suspended by the state governor.

The agency reviewed each application under expedited procedures because of the crisis facing depositors at these and other privately insured Rhode Island institutions. The FDIC Board determined the institutions did not qualify for deposit insurance after reviewing such factors as the financial history and condition of each institution, capital adequacy, and the extent to which the nature of their business would pose undue risks to the federal insurance fund.

The FDIC said that if any of the institutions are able to address the reasons for denial and wish to submit new applications, those applications will be considered on an expedited basis.

The five institutions denied for FDIC insurance were: the \$212 million-deposit Greater Providence Deposit Corporation, Providence; the \$96 million-deposit Union Deposit Loan & Investment Bank, North Providence; the \$26 million-deposit Blackstone Valley Loan and Investment Bank, Lincoln; the \$20 million-deposit PierBank, Inc., Narragansett; and the \$11 million-deposit Savers Bank & Trust Company, East Providence.

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