



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
COMMUNITY NATIONAL BANK, GLASTONBURY, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Community National Bank, Glastonbury, Connecticut, by Fleet Bank of Connecticut, Hartford, Connecticut.

The failed bank's three offices will reopen on Monday, January 14, 1991, as branches of Fleet Bank, and its depositors automatically will become depositors of the assuming bank.

Community National Bank, with total assets of \$90.0 million, was closed on Friday, January 11, 1991, by the Comptroller of the Currency, and the FDIC was named receiver.

Fleet Bank will assume about \$92.2 million in 16,100 deposit accounts and has agreed to pay the FDIC a purchase premium of \$250,000. It also will purchase certain of the failed bank's assets and will have options to purchase loans and other assets. To facilitate the transaction, the FDIC will advance about \$78.6 million to the assuming bank and will retain assets of the failed bank with a book value of about \$76.7 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. The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank.

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