



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF THE LANDMARK BANK, HARTFORD, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of The Landmark Bank, Hartford, Connecticut, by People's Bank, Bridgeport, Connecticut.

The Landmark Bank, with total assets of \$237.8 million, was closed on Thursday, March 28, 1991, by Ralph Shulansky, Connecticut Banking Commissioner, and the FDIC was named receiver.

The failed bank's five offices will reopen on Monday, April 1, 1991, as branches of People's Bank and depositors of the failed bank automatically will become depositors of People's Bank. For the time being, however, former Landmark depositors should continue to use The Landmark Bank's offices to transact their banking business.

People's Bank will assume about \$212.1 million in 58,500 deposit accounts and has agreed to pay the FDIC a purchase premium of \$500,000. It also will purchase \$5.1 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$206.6 million to the assuming bank and will retain assets of the failed bank with a book value of about \$232.7 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. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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