



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TRANSFERS INSURED DEPOSITS OF WHITNEY BANK AND TRUST, HAMDEN, CONNECTICUT

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits and fully secured deposits of Whitney Bank and Trust, Hamden, Connecticut, to First Constitution Bank, New Haven, Connecticut. The failed bank's sole office will reopen on Monday, April 15, 1991, as a branch of First Constitution.

Whitney Bank and Trust, with total assets of about \$42.8 million, was closed on Friday, April 12, 1991, by Ralph Shulansky, Connecticut Banking Commissioner, and the FDIC was named receiver.

The Board of Directors decided to arrange an insured deposit transfer because the FDIC was unable to quantify the value of the bank's assets.

At the time the bank closed, its deposits totaled about \$42.9 million in 2,200 deposit accounts, including approximately \$268,000 in 55 accounts that exceeded the federal insurance limit of \$100,000. Uninsured depositors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Monday morning. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

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Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$215,000 for the right to receive the transferred deposits. It also will purchase \$1.9 million of the failed bank's assets, and will have options to purchase certain loans of the failed bank. The FDIC will retain assets of the failed bank with a book value of \$40.9 million.

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