



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TRANSFERS INSURED DEPOSITS OF BOSTON TRADE BANK, BOSTON, MASSACHUSETTS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits and fully secured or preferred deposits of Boston Trade Bank, Boston, Massachusetts, to The First National Bank of Boston (Bank of Boston), Boston, Massachusetts. The failed bank's sole office will reopen on Monday, May 6, 1991 as a branch of Bank of Boston.

Boston Trade Bank, with total assets of about \$352.9 million as of December 31, 1990, was closed on Friday, May 3, 1991, by Michael C. Hanson, Massachusetts Commissioner of Banks, and the FDIC was named liquidating agent.

The FDIC Board decided to arrange an insured deposit transfer because no bids on any type of purchase and assumption transaction were received.

At year-end 1990, Boston Trade Bank's deposits totaled about \$328.9 million in 8,100 deposit accounts, including approximately \$8.9 million in 116 accounts that exceeded the federal insurance limit of \$100,000. Uninsured depositors and nondepositor creditors 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 at 8:30 a.m. on Monday, May 6. 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 \$6,000 for the right to receive the transferred deposits. It also will purchase certain assets of the failed bank for \$18.9 million, and will have options to purchase loans and other assets of the failed bank. The FDIC will retain assets of the failed bank with a book value of \$334.0 million.

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