



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FIRST CITY BANK, NEW ORLEANS, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First City Bank, New Orleans, Louisiana, by First Bank and Trust, a newly chartered bank.

First City Bank, with total assets of \$56.3 million, was closed on Friday, May 17, 1991, by Lynda A. Drake, Louisiana Acting Commissioner of Financial Institutions, and the FDIC was named receiver.

The failed bank's two offices will reopen on Monday, May 20, 1991, as First Bank and Trust, and its depositors automatically will become depositors of the assuming bank.

First Bank and Trust will assume about \$56.7 million in 3,200 deposit accounts and will purchase approximately \$51.2 million of the failed bank's assets at a discount of \$6,926,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by First Bank and Trust, the failed bank's customers will have the benefit of continuous uninterrupted service.

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