



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF FLORIDA STATE BANK, HOLIDAY, FLORIDA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of the Florida State Bank, Holiday, Florida, by the Orange Bank, Ocoee, Florida.

The Florida State Bank, with total assets of \$99.3 million, was closed on Friday, May 24, 1991, by Gerald Lewis, Florida State Comptroller, and the FDIC was named receiver.

The failed bank's five offices will reopen on Tuesday, May 28, 1991, as branches of the Orange Bank, and its depositors automatically will become depositors of the assuming bank.

The Orange Bank will assume about \$82.5 million in about 13,000 accounts and will purchase about \$31.1 million of the failed bank's assets, including \$12.3 million of the failed bank's loans, at a discount of \$100,000. To facilitate the transaction, the FDIC will advance about \$48.8 million to the assuming bank and will retain assets of the failed bank with a book value of about \$68.2 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. Creditors of the failed bank will share proportionately with the FDIC in the proceeds realized from the liquidation of the failed bank's assets.

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