



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
THE PERMANENT SAVINGS BANK, NIAGARA FALLS, NEW YORK

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of The Permanent Savings Bank, Niagara Falls, New York, by Key Bank of Western New York National Association, Buffalo, New York.

The failed bank's seven offices will reopen on Monday, July 16, 1990, as branches of Key Bank of Western New York National Association, and its depositors automatically will become depositors of the assuming bank.

The Permanent Savings Bank, with total assets of \$331.6 million, was closed on Friday, July 13, 1990, by Jill M. Considine, Superintendent of Banks, and the FDIC was named receiver.

Key Bank of Western New York National Association will assume about \$319.0 million in 39,000 deposit accounts and will purchase approximately \$321.7 million of the failed bank's assets at a discount of \$499,000.

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 Key Bank of Western New York National Association, the failed bank's customers will have the benefit of continuous uninterrupted service.

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