Assets of S&L seized

By CHERYL ALBRECHT
Staff Writer

The Federal Deposit Insurance Corporation Friday seized assets of Evangeline Federal Savings & Loan Association, and the office will reopen Monday as a branch of Hibernia National Bank.

The Resolution Trust Corporation approved the transfer of insured deposits to Hibernia, who turned in a high bid of $230,000 for the right to receive the deposits and acquire some assets, spokesperson David Loveday said.

"It will be business as usual on Monday," he added.

RTC was created last week when President George Bush signed a rescue package for the nation's troubled savings and loan industry. The new corporation is designed to liquidate assets of closed institutions. It operates under SAIF (the Savings Association Insurance Funds), which replaced the dissolved Federal Savings & Loan Insurance Corporation (FSLIC).

The rescue bill also allows commercial banks to acquire savings and loans, and Evangeline's transfer to Hibernia is the first in Louisiana and the fourth in the nation, Hibernia President Duane Richard said.

"It's evidence of our confidence in Lafayette and its future," Richard told The Advertiser.

Evangeline was closed with assets of $38.2 million by the Office of Thrift Supervision, which operates under FDIC. RTC was named receiver. The new corporation brought in funds needed to pay off deposits and will liquidate the assets to receive as much return as possible, Loveday said.

Any uninsured depositors and other creditors will share with the RTC proceeds that come from liquidation, Loveday said.

Evangeline Federal since March 16.