

[21992001]



Mr. Connolly noted that net third-quarter charge-offs, at \$ 63 million, improved slightly from the \$ 67 million in the second quarter.

[21992011]

And he indicated that more substantial improvement is expected in the next couple of quarters.

[21992012]

The company increased its loan loss reserve to \$ 354 million from \$ 342 million at the end of the second quarter.

[21992013]

Total assets slipped to \$ 31.4 billion, from \$ 32 billion as of June 30.

[21992014]

Among other restructuring measures, the bank said it will close its loan production offices in Chicago, New York and Philadelphia.

[21992015]

The Chicago office figured prominently in the bank's problems earlier this year, when \$ 65 million in loans to Chicago businessman William Stoecker went sour.

[21992016]

In an internal memorandum to employees, Messrs. Connolly and Driscoll described the restructuring as an effort to continue rationalizing operations assembled during a series of mergers over the past five years.