

FOR IMMEDIATE RELEASE

PR-70-89 (3-28-89)

NEW NATIONAL BANK TO ASSUME DEPOSITS
OF 20 INSOLVENT MBANKS

The Federal Deposit Insurance Corporation tonight transferred deposits of 20 insolvent MBanks, subsidiaries of MCorp of Dallas, Texas, to The Deposit Insurance Bridge Bank, National Association, Dallas, Texas. This newly chartered institution is wholly-owned by the FDIC.

The offices of the failed banks will reopen as units of The Deposit Insurance Bridge Bank, National Association, at their normal time on Wednesday, March 29. Service to all customers will continue uninterrupted.

The 20 banks were closed today by the Office of the Comptroller of the Currency, which determined the institutions were insolvent, and turned them over to the FDIC's bridge bank. The five remaining banks in the MCorp system are not involved in this transaction and continue to be owned by MCorp.

The FDIC will seek proposals for the acquisition of the bridge bank.

Additional information on today's action will be available during a press briefing scheduled for 10 a.m. on Wednesday, March 29, at the FDIC's offices in Washington, D.C. A list of the 20 banks is attached.

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