



# NEWS RELEASE

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## FDIC TRANSFERS INSURED DEPOSITS OF FORESTWOOD NATIONAL BANK OF DALLAS, DALLAS, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits and fully secured liabilities of Forestwood National Bank of Dallas, Dallas, Texas, to Comerica Bank-Texas, Dallas, Texas. The failed bank's two offices will reopen on Friday, July 28, 1989, as branches of Comerica Bank-Texas.

The Board of Directors decided to arrange an insured deposit transfer because of an inability to determine the value of the bank's assets and undeterminable exposure in significant contingent liabilities.

Forestwood National Bank of Dallas, with total assets of about \$61.4 million, was closed on Thursday, July 27, 1989, by Frank Maguire, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$58.5 million in 6,900 deposit accounts, including approximately \$627,000 in 24 accounts that exceeded the federal insurance limit of \$100,000. Uninsured depositors and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Friday, July 28, 1989. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they

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should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$200,000 for the right to receive the transferred deposits. It also will purchase approximately \$39.4 million of the failed bank's assets including \$4 million of the bank's small loans, and will have options to purchase other assets of the failed bank. The FDIC will retain assets of the failed bank with a book value of \$22 million.

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