



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF UNION BANK & TRUST, DALLAS, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Union Bank & Trust, Dallas, Texas, by Cornerstone Bank, National Association, Dallas, Texas.

The failed bank's main office will not reopen, but its customers can transact their business at its drive-in facility, or at any office of the assuming bank, beginning Friday, May 6, 1988. The failed bank's depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Union Bank & Trust, with total assets of about \$37.7 million, was closed on Thursday, May 5, 1988, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Cornerstone Bank, National Association, will assume about \$35.6 million in 3,400 deposit accounts and will purchase approximately \$35.6 million of the failed bank's assets at a discount of \$8,260,000.

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 Cornerstone Bank, National Association, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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