



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF MERCANTILE BANK & TRUST, SAN ANTONIO, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Mercantile Bank & Trust, San Antonio, Texas, by Groos Bank, National Association, San Antonio, Texas.

The failed bank's sole office will reopen on Friday, July 1, 1988, as a branch of Groos Bank, National Association and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Mercantile Bank & Trust, with total assets of about \$82.3 million, was closed on Thursday, June 30, 1988, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Groos Bank, National Association will assume about \$82.9 million in 12,400 deposit accounts and will purchase \$77.4 million of the failed bank's assets at a discount of \$9,788,000.

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

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