



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF RIVER CITY BANK, CASTLE HILLS, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of River City Bank, Castle Hills, Texas, by Citizens State Bank of Luling, Luling, Texas.

The failed bank's sole office will reopen on Friday, September 16, 1988, as a branch of Citizens State Bank of Luling and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

River City Bank, with total assets of about \$13.9 million, was closed on Thursday, September 15, 1988, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Citizens State Bank of Luling will assume about \$16.5 million in 1,600 deposit accounts and will purchase \$13.4 million of the failed bank's assets at a discount of \$3,888,272.

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 Citizens State Bank of Luling, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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