



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF CONTINENTAL NATIONAL BANK OF KENTUCKY, LOUISVILLE, KENTUCKY

The Board of Directors of the Federal Deposit Insurance Corporation today approved the assumption of the deposit liabilities of Continental National Bank of Kentucky, Louisville, Kentucky, by River City Bank, Inc., a newly-chartered subsidiary of First Breckenridge Bancshares, Inc., Irvington, Kentucky.

The failed bank's only office will reopen on Friday, June 26, 1986, as River City Bank, Inc., and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Continental National Bank of Kentucky, which had total assets of \$9.8 million, was closed on Thursday, June 26, 1986, by Robert J. Herrmann, Deputy Comptroller of the Currency, and the FDIC was named receiver. Mr. Herrmann said: "Over the past three years the bank's condition began to decline because of poor credit practices coupled with weak management and board oversight."

River City Bank, Inc., will assume about \$9.7 million in 5,100 deposit accounts and has agreed to pay the FDIC a purchase premium of \$1,255,000. It also will purchase certain of the failed bank's loans and other assets for \$8.6 million. The FDIC will retain assets of the failed bank with a book value of about \$1.2 million.

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 Board made such a finding in this case because of the premium paid by River City Bank, Inc.

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