



## NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-71-86 (5-21-86)

FDIC RETAINS MORGAN STANLEY & CO., INC.  
TO ADVISE ON CONTINENTAL ILLINOIS

The Federal Deposit Insurance Corporation today announced that it has retained the investment banking firm of Morgan Stanley & Co., Inc., to advise it on disposing of its stock in Continental Illinois Corporation, the parent company of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois.

The FDIC concluded that Continental has progressed sufficiently to begin considering the sale of its stock position. No decisions have been made on the timing or manner of such a stock sale.

In connection with an assistance agreement approved in September 1984, the FDIC holds approximately \$320 million in adjustable rate preferred stock in Continental Illinois Corporation and \$720 million in preferred stock convertible into 160 million shares of common stock. Depending on collections from Continental loans acquired by the FDIC, the FDIC may acquire up to 40 million additional shares of Continental's common stock.

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