



# NEWS RELEASE

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## FDIC ANNOUNCES DEPOSIT ASSUMPTION OF CENTURY NATIONAL BANK, JACKSONVILLE, FLORIDA

The Board of Directors of the Federal Deposit Insurance Corporation today announced that the deposit liabilities of Century National Bank, Jacksonville, Florida, have been assumed by Barnett Bank of Jacksonville, N.A., Jacksonville, Florida, a subsidiary of Barnett Banks of Florida, Inc., Jacksonville, Florida.

The failed bank's two offices will reopen on Friday, September 21, 1984 as branch offices of Barnett Bank of Jacksonville, N.A. and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Century National Bank was closed on September 20, 1984, by H. Joe Selby, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver. Mr. Selby said: "Over the past several years the bank has experienced substantial deterioration in the quality of its loan portfolio as well as large operating expenses. The bank was unable to remedy its problems and losses finally exhausted the bank's capital funds resulting in its insolvency."

In addition to assuming about \$15.2 million in 6,000 deposit accounts, Barnett Bank of Jacksonville, N.A. has agreed to pay the FDIC a purchase premium of \$86,000. The assuming bank will purchase the failed bank's

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installment loans and certain other assets. To facilitate the transaction, the FDIC will advance cash amounting to \$2.5 million and will retain assets of the failed bank with a book value of approximately \$2.6 million.

The FDIC approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the Corporation. The Board of Directors made such a finding in this case because of the premium paid by Barnett Bank of Jacksonville, N.A.

The FDIC expects to recover a substantial portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of the shareholders of the closed bank.