



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Community National Bank, Hondo, Texas, Assumes All of the Deposits of the La Coste National Bank, La Coste, Texas

[En Español](#)

The La Coste National Bank, La Coste, Texas, was closed today by the Office of the Comptroller of the Currency, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Community National Bank, Hondo, Texas, to assume all of the deposits of The La Coste National Bank.

The sole branch of The La Coste National Bank will reopen on Monday as a branch of Community National Bank. Depositors of The La Coste National Bank will automatically become depositors of Community National Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branch until they receive notice from Community National Bank that it has completed systems changes to allow other Community National Bank branches to process their accounts as well.

This evening and over the weekend, depositors of The La Coste National Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2009, The La Coste National Bank had approximately \$53.9 million in total assets and \$49.3 million in total deposits. Community National Bank will pay the FDIC a premium of 0.51 percent to assume all of the deposits of The La Coste National



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-32-2010**

Bank. In addition to assuming all of the deposits of the failed bank, Community National Bank agreed to purchase essentially all of the assets.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-830-3256. The phone number will be operational this evening until 9:00 p.m., Central Standard Time (CST); on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon to 6:00 p.m., CST; and thereafter from 8:00 a.m. to 8:00 p.m., CST. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/lacoste.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$3.7 million. Community National Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. The La Coste National Bank is the 18th FDIC-insured institution to fail in the nation this year, and the first in Texas. The last FDIC-insured institution closed in the state was Madisonville State Bank, Madisonville, on October 30, 2009.
