



NEWS RELEASE

FOR IMMEDIATE RELEASE
PR-10-93 (2-5-93)

Media Contact:
Andrew Porterfield (202) 898-6593

FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF
AMERICAN BANK OF HALTOM CITY, HALTOM CITY, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of American Bank of Haltom City, Haltom City, Texas, by Central Bank & Trust, Fort Worth, Texas.

The failed bank's three offices will reopen on Monday, February 8, 1993, as branches of Central Bank & Trust, and its depositors automatically will become depositors of the assuming bank. Drive-thru facilities will be open on Saturday, February 6, 1993.

American Bank, with total assets of \$97.0 million, was closed on Friday, February 5, 1993, by Catherine A. Ghiglieri, Texas Banking Commissioner, and the FDIC was named receiver.

Central Bank & Trust will assume about \$95.1 million in about 18,400 deposit accounts. At the time the bank closed, about \$801,000 in 34 accounts exceeded the federal deposit insurance limit of \$100,000. These funds will not be assumed by Central Bank & Trust.

The Board of Directors also voted to make a prompt advance payment to uninsured depositors which will equal 75 percent of the uninsured claims. Uninsured depositors can submit their claims for advance payment with the FDIC at the bank beginning Monday, February 8, 1993. If actual collections on the failed bank's assets exceed this initial payment, uninsured depositors ultimately will receive additional payments on their claim.

Central Bank & Trust will pay a premium of \$2.5 million for the right

(more)

to receive the failed bank's deposits and will purchase \$57.7 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$34.5 million to the assuming bank and will retain assets of the failed bank with a book value of about \$39.3 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 FDIC notes that its claim on the failed bank's assets will have priority over nondepositor creditors of the failed bank.

###