



# NEWS RELEASE

FOR IMMEDIATE RELEASE  
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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF  
CROWN NATIONAL BANK, CHARLOTTE, NORTH CAROLINA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of Crown National Bank, Charlotte, North Carolina, by Lincoln Bank of North Carolina, Lincolnton, North Carolina.

The failed bank's sole office will reopen on Monday, May 10, 1993, as a branch of Lincoln Bank, and its depositors automatically will become depositors of the assuming bank.

Crown National, with total assets of \$23.3 million, was closed on Friday, May 7, 1993, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Lincoln Bank will assume about \$19.9 million in about 1,500 deposit accounts. At the time the bank closed, about \$28,000 in 29 accounts exceeded the federal insurance limit of \$100,000 and will not be assumed by Lincoln Bank.

The Board of Directors also approved an advance payment to unsecured creditors, including uninsured depositors, equal to 65 percent of uninsured claims. Arrangements for picking up advance payment checks can be made by calling the failed bank's office beginning Monday, May 10, 1993.

The assuming bank will pay a premium of \$103,000 for the right to receive the failed bank's deposits and will purchase \$5.8 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance

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about \$14.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$18.7 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. Non-depositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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