



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
BANCO NACIONAL, NATIONAL ASSOCIATION, SAN JUAN, PUERTO RICO

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Banco Nacional, National Association, San Juan, Puerto Rico, by Eurobank & Trust Company, San Juan, Puerto Rico.

Two of the failed bank's three offices will reopen temporarily on Monday, January 27, 1992, as branches of Eurobank & Trust, and its depositors automatically will become depositors of the assuming bank. The Caguas office will open on Saturday, January 25, 1991, and will remain a permanent branch of Eurobank & Trust.

Banco Nacional, with total assets of \$54.5 million, was closed on Friday, January 24, 1992, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Eurobank & Trust will assume about \$48.9 million in about 3,500 deposit accounts. It will pay a premium of \$1,182,000 for the right to receive the failed bank's deposits and will purchase \$2.4 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$43.7 million to the assuming bank and will retain assets of the failed bank with a book value of about \$47.3 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. 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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