



NEWS RELEASE

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PR-169-91 (11-8-91)

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FDIC TRANSFERS INSURED DEPOSITS OF
COMMUNITY NATIONAL BANK AND TRUST COMPANY OF NEW YORK, NEW YORK, NEW YORK

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits of Community National Bank and Trust Company of New York, New York, New York, to Chemical Bank, New York, New York. The failed bank's six offices will reopen on Tuesday, November 12, 1991, as branches of Chemical Bank.

The Board of Directors decided to arrange an insured deposit transfer because the bids received did not meet the FDIC cost test.

Community National Bank and Trust, with total assets of about \$353.1 million, was closed on Friday, November 8, 1991 by the Office of the Comptroller of the Currency and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$321.8 million in 47,400 deposit accounts, including approximately \$12.6 million in 174 accounts that exceeded the federal insurance limit of \$100,000. Uninsured depositors and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Tuesday, November 12, 1991. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they

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should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$972,000 for the right to receive the transferred deposits. It also will purchase \$35,052,000 of the failed bank's assets. The FDIC will retain assets of the failed bank with a book value of \$318.1 million.

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