



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF NORTHWAY NATIONAL BANK, DALLAS, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Northway National Bank, Dallas, Texas, by City National Bank of Carrollton, Carrollton, Texas.

The failed bank's sole office will reopen on Friday, February 16, 1990, as a branch of City National Bank of Carrollton, and its depositors automatically will become depositors of the assuming bank.

Northway National Bank, with total assets of \$25.8 million, was closed on Thursday, February 15, 1990, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

City National Bank of Carrollton will assume about \$25.1 million in 1,800 deposit accounts and will purchase approximately \$14.6 million of the failed bank's assets at a discount of \$3,741,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by City National Bank of Carrollton, the failed bank's customers will have the benefit of continuous uninterrupted service.

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