



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF FIRST BANK & TRUST COMPANY, CEDAR HILL, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First Bank & Trust Company, Cedar Hill, Texas, by NCNB Texas National Bank, Dallas, Texas.

The failed bank's sole office will reopen on Friday, April 6, 1990, as a branch of NCNB Texas National Bank, and its depositors automatically will become depositors of the assuming bank.

First Bank & Trust Company, with total assets of \$13.2 million, was closed on Thursday, April 5, 1990, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

NCNB Texas National Bank will assume about \$12.8 million in 4,200 deposit accounts and has agreed to pay the FDIC a purchase premium of \$250,000. It also will purchase certain of the failed bank's assets and will have options to purchase loans and other assets. To facilitate the transaction, the FDIC will advance about \$6.8 million to the assuming bank and will retain assets of the failed bank with a book value of about \$7.5 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 will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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