



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF CHAS. SCHREINER BANK, KERRVILLE, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Chas. Schreiner Bank, Kerrville, Texas, by NCNB Texas National Bank, Dallas, Texas. The failed bank's three offices will reopen on Friday, April 20, 1990, as branches of NCNB Texas National Bank, and its depositors automatically will become depositors of the assuming bank.

Chas. Schreiner Bank, with total assets of about \$233.4 million, was closed on Thursday, April 19, 1990, by Kenneth W. Littlefield, Texas Bank Commissioner, and the FDIC was named receiver.

NCNB Texas National Bank will assume about \$233.7 million in 17,900 deposit accounts and will pay the FDIC a purchase premium of \$3,010,000. It also will purchase approximately \$156.6 million of the failed bank's assets, including \$9.8 million of the bank's small loans.

To facilitate the transaction the FDIC will advance \$77.3 million to the assuming bank and will retain assets of the failed bank with a book value of \$76.9 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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