



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF NINE BANK SUBSIDIARIES OF  
NATIONAL BANKSHARES CORPORATION OF TEXAS, SAN ANTONIO, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of nine of the 12 bank subsidiaries of National Bankshares Corporation of Texas (NBC), San Antonio, Texas, by NCNB Texas National Bank, Dallas, Texas.

The nine NBC banks will reopen on Monday, June 4, 1990, as branches of NCNB Texas, and their depositors automatically will become depositors of the assuming bank.

The nine NBC subsidiary banks, with total assets of \$1.6 billion, were closed on Friday, June 1, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver. The three remaining banks in the NBC system were not involved in this transaction and continue to be owned by NBC.

NCNB Texas will assume about \$1.5 billion in 291,500 deposit accounts and has agreed to pay the FDIC a purchase premium of \$59,520,000. It also will purchase \$946.7 million of the failed banks' assets and will have options to purchase loans and other assets. To facilitate the transaction, the FDIC will advance about \$581.2 million to the assuming bank and will retain assets of the failed banks with a book value of about \$613.7 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.

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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 banks.

The nine banks involved in today's action are:

<u>Bank Name and Location</u>	<u>Assets</u> (\$000s)	<u>Deposits</u> (\$000s)
NBC Bank - Austin, National Association, Austin	\$ 34.7	\$ 40.6
NBC Bank - Boerne, National Association, Boerne	55.5	54.9
NBC Bank - South Texas, National Association, Corpus Christi	111.8	114.5
NBC Bank - Houston, National Association, Houston	190.8	279.7
NBC Bank - Kerrville, National Association, Kerrville	29.8	32.7
NBC Bank - Rio Grande Valley, National Association, Mission	145.3	133.4
NBC Bank - San Antonio, National Association, San Antonio	887.5	789.0
NBC Bank - Seguin, National Association, Seguin	67.1	65.3
NBC Bank - Uvalde, National Association, Uvalde	37.9	36.7
<u>Totals</u>	<u>\$1,560.4</u>	<u>\$1,546.9</u>

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