



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF ALLIANCE BANK, N.A., AUSTIN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Alliance Bank, N.A., Austin, Texas, by Hibernia National Bank in Texas, Pflugerville, Texas. The failed bank's two offices will reopen on Friday, June 15, 1990, as branches of Hibernia National Bank in Texas, and its depositors automatically will become depositors of the assuming bank.

Alliance Bank, with total assets of about \$84.0 million, was closed on Thursday, June 14, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Hibernia National Bank in Texas will assume about \$82.6 million in 5,500 deposit accounts and will pay the FDIC a purchase premium of \$1,036,000. It also will purchase approximately \$63.1 million of the failed bank's assets.

To facilitate the transaction the FDIC will advance \$19.0 million to the assuming bank and will retain assets of the failed bank with a book value of \$20.9 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.

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