



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF BANK M, MIAMI, FLORIDA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Bank M, Miami, Florida, by Bank of North America, Miami, Florida, a newly chartered state-nonmember bank.

The failed bank's sole office will reopen on Monday, June 18, 1990, as Bank of North America, and its depositors automatically will become depositors of the assuming bank.

Bank M, with total assets of \$12.0 million, was closed on Friday, June 15, 1990, by Gerald Lewis, State Comptroller, and the FDIC was named receiver.

Bank of North America will assume \$11.9 million in about 600 deposit accounts and has agreed to pay the FDIC a purchase premium of \$150,000. 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 \$9.5 million to the assuming bank and will retain assets of the failed bank with a book value of about \$9.8 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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