



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF CENTRE NATIONAL BANK-FARMERS BRANCH, FARMERS BRANCH, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Centre National Bank-Farmers Branch, Farmers Branch, Texas, by Hibernia National Bank in Texas, Pflugerville, Texas. The failed bank's sole office will reopen on Friday, June 22, 1990, as a branch of Hibernia National Bank in Texas, and its depositors automatically will become depositors of the assuming bank.

Centre National, with total assets of about \$45.3 million, was closed on Thursday, June 21, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Hibernia National Bank in Texas will assume about \$43.4 million in 4,600 deposit accounts and will pay the FDIC a purchase premium of \$111,000. It also will purchase approximately \$32.3 million of the failed bank's assets, including \$6.7 million of the bank's small loans.

To facilitate the transaction the FDIC will advance \$11.1 million to the assuming bank and will retain assets of the failed bank with a book value of \$13.0 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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