



# NEWS RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF THE MONTGOMERY NATIONAL BANK, MONTGOMERY TOWNSHIP, NEW JERSEY

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of The Montgomery National Bank, Montgomery Township (Rocky Hill), New Jersey, by Amboy National Bank, Montgomery Township, New Jersey, a newly chartered subsidiary bank of Amboy Madison Bancorporation, Old Bridge, New Jersey.

The failed bank's four offices will reopen on Saturday, June 30, 1990, as Amboy National Bank, and its depositors automatically will become depositors of the assuming bank.

The Montgomery National Bank, with total assets of \$95.8 million, was closed on Friday, June 29, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Amboy National Bank will assume about \$92.3 million in 17,500 deposit accounts and will purchase approximately \$95.0 million of the failed bank's assets at a discount of \$2,395,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by Amboy National Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

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