FDIC NEWS RELEASE

FOR IMMEDIATE RELEASE  PR-85-87 (4-30-87)

FDIC TRANSFERS INSURED DEPOSITS OF
UNITEDBANK-HOUSTON, HOUSTON, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has
approved the transfer of insured deposits and fully secured or preferred
deposits of UnitedBank-Houston, Houston, Texas, to American Bank, Houston,
Texas. The failed bank's five offices will not reopen; however, insured
depositors will be able to obtain their funds at American Bank's existing

The Board of Directors decided to arrange an insured deposit transfer
because no bids were received for a purchase and assumption transaction.

UnitedBank-Houston, with total assets of $217.9 million, was closed on
Thursday, April 30, 1987, by Kenneth W. Littlefield, Texas State Banking
Commissioner, and the FDIC was named receiver.

At the time the bank closed, its deposits totalled about $161.1 million in
13,400 deposit accounts including approximately $3.1 million in 470 accounts
that exceeded the federal insurance limit of $100,000. Uninsured depositors
and nondepositor creditors will share proportionately with the FDIC in
proceeds realized from the liquidation of the failed bank's assets.

Deposits in the failed bank up to the statutory insurance limit of
$100,000 will be available to their owners beginning May 4. Checks drawn on
the failed bank's accounts will continue to be honored.

Even though insured depositors in the failed bank can automatically
continue to conduct their banking transactions with the acquiring bank for an
18-month period, they are encouraged to visit the bank during the next several

-morer-
weeks to discuss continuation of their banking relationship with the new bank. From the standpoint of customer convenience and service, it would be preferable for these visits to be spread out over the next month or longer than to occur within the next week or so.

Administration of the insured deposits transferred to the new bank will be funded by an equivalent cash payment from the FDIC. The new bank is paying the FDIC a premium of $200,000 for the right to receive the transferred deposits, and will purchase other assets of the failed bank for $90.4 million.