



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
THE FIRST NATIONAL BANK OF LEVELLAND, LEVELLAND, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of The First National Bank of Levelland, Levelland, Texas, by Citizens Bank, Kilgore, Texas. The failed bank's sole office will reopen on Friday, August 31, 1990, as a branch of Citizens Bank, and its depositors automatically will become depositors of the assuming bank.

The First National Bank of Levelland, with total assets of about \$67.1 million, was closed on Thursday, August 30, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Citizens Bank will assume about \$66.7 million in 8,400 deposit accounts. It also will purchase approximately \$58.6 million of the failed bank's assets, including \$6.7 million of the bank's small loans at a discount of \$1,089,000.

To facilitate the transaction the FDIC will advance \$9.2 million to the assuming bank and will retain assets of the failed bank with a book value of \$8.5 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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