



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FIRST NATIONAL BANK OF JACKSON, JACKSON, TENNESSEE

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First National Bank of Jackson, Jackson, Tennessee, by First Tennessee Bank, National Association, Memphis, Tennessee.

The failed bank's five offices will reopen on Friday, October 26, 1990, as branches of First Tennessee Bank, National Association, and its depositors automatically will become depositors of the assuming bank.

First National Bank of Jackson, with total assets of \$75.7 million, was closed on Thursday, October 25, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

First Tennessee Bank, National Association will assume about \$72.6 million in 6,300 deposit accounts and has agreed to pay the FDIC a purchase premium of \$112,869. 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 \$67.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$70.3 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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