

**NEWS RELEASE**

FOR IMMEDIATE RELEASE

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**FDIC APPROVES ASSUMPTION OF
FIRST STATE BANK, DEANVILLE, TEXAS**

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of First State Bank, Deanville, Texas, by Citizens State Bank, Somerville, Texas.

The failed bank's sole office will reopen on Friday, April 21, 1989, as a branch of Citizens State Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

First State Bank, with total assets of about \$9.5 million, was closed on Thursday, April 20, 1989, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Citizens State Bank will assume about \$9.5 million in 1,700 deposit accounts and will purchase all of the failed bank's assets at a discount of \$1,058,000.

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 Citizens State Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

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