



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF  
THE FIRST STATE BANK, FORGAN, OKLAHOMA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and other liabilities of The First State Bank, Forgan, Oklahoma, by The Bank of Beaver City, Beaver, Oklahoma.

The failed bank's sole office will reopen on Thursday, June 1, 1989, as a branch of The Bank of Beaver City, and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

The First State Bank, with total assets of \$11.7 million, was closed on Wednesday, May 31, 1989, by Wayne H. Osborn, Oklahoma Bank Commissioner, and the FDIC was named receiver.

The Bank of Beaver City will assume about \$11.1 million in 1,600 deposit accounts and will purchase approximately \$10.3 million of the failed bank's assets at a discount of \$733,000.

The FDIC will retain assets of the failed bank with a book value of about \$1.5 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 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 The Bank of Beaver City, the failed bank's customers will have the benefit of continuous uninterrupted service.

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