



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC TRANSFERS INSURED DEPOSITS OF INDEPENDENT BANK-EAST, NATIONAL ASSOCIATION, ROCKWALL, 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 Independent Bank-East, National Association, Rockwall, Texas, to American National Bank of Terrell, Terrell, Texas. The failed bank's three offices will reopen on Monday, July 3, 1989, as branches of American National Bank of Terrell.

The Board of Directors decided to arrange an insured deposit transfer because of an inability to determine the value of the bank's assets.

Independent Bank-East, National Association, with total assets of about \$36.9 million, was closed on Friday, June 30, 1989, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$34.0 million in approximately 8,300 deposit accounts. The number and amount of accounts with balances that exceeded the federal insurance limit of \$100,000 will not be determined until a further review of the bank's records is conducted. Uninsured depositors and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from 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 on Monday, July 3, 1989. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored.

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Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$635,000 for the right to receive the transferred deposits. It also will purchase certain assets of the failed bank for \$3.7 million and will have options to purchase loans and other assets of the failed bank. The FDIC will retain assets of the failed bank with a book value of \$33.2 million.

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