



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-239-89 (12-13-89)

FDIC APPROVES ASSUMPTION OF DEPOSITS OF
MIDLOTHIAN NATIONAL BANK, MIDLOTHIAN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Midlothian National Bank, Midlothian, Texas, by The First National Bank in Joshua, Joshua, Texas.

The failed bank's sole office will reopen on Thursday, December 14, 1989, as a branch of The First National Bank in Joshua, and its depositors automatically will become depositors of the assuming bank.

Midlothian National Bank, with total assets of \$11.7 million, was closed on Wednesday, December 13, 1989, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

The First National Bank in Joshua will assume about \$11.2 million in 2,800 deposit accounts and will purchase approximately \$9.9 million of the failed bank's assets at a discount of \$3,461,775.

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 First National Bank in Joshua, the failed bank's customers will have the benefit of continuous uninterrupted service.

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