



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC GRANTS ASSISTANCE TO PREVENT FAILURE OF AMERICAN NATIONAL BANK, DURANT, OKLAHOMA

The Board of Directors of the Federal Deposit Insurance Corporation has granted financial assistance under Section 13(c) of the Federal Deposit Insurance Act (FDI) to prevent the failure of American National Bank, Durant, Oklahoma. The transaction is effective immediately.

The FDIC acted following notification by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, that American National Bank was in danger of failing.

As a result of this action, American National Bank is merging with First National Bank of Johnston County, Tishomingo, Oklahoma, and uninterrupted service will be afforded all deposit and loan customers of the bank. American National Bank operated a sole office in Durant, Oklahoma, and had assets of \$10.3 million and deposits of \$9.1 million. The combined bank will be named First American National Bank, Tishomingo, Oklahoma, and the Durant office will be operated as a branch.

The FDIC's financial assistance consists of the acquisition of a beneficial interest in certain assets up to a maximum of \$900,000. The FDIC also will pay limited litigation expenses relating to the collection of the assets.

The FDIC usually acts following the failure of a commercial bank either to arrange for its deposits to be assumed by a healthy bank or, if that is not possible, to pay off insured depositors and liquidate the failed bank's assets. However, the FDIC's Board, as a matter of policy, generally will approve a request for assistance to prevent the closing of an insured bank or

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thrift if it determines that the proposal is less costly than a payoff of depositors and the resulting bank will have managerial resources capable of assuring its viability. An assistance proposal must provide for sufficient capitalization for the resulting bank and should include capital commitments from non-FDIC sources. Furthermore, the financial effect of FDIC assistance upon shareholders and subordinated debt holders of the bank or of the bank's holding company must approximate the effect on these parties which would have resulted had the assisted bank failed.

In granting financial assistance, the FDIC will attempt to avoid acquiring an equity position in a bank or servicing the institution's assets.

The FDIC Board voted to approve the American National Bank assistance transaction based on the determination that it was in compliance with the mandatory cost test and other assistance policy criteria.