



## NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-122-87 (7-2-87)

### FDIC APPROVES DEPOSIT ASSUMPTION OF CITIZENS BANK, BRYAN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of Citizens Bank, Bryan, Texas, by UnitedBank-College Station, National Association, College Station, Texas.

Instead of reopening at the existing site, the assuming bank will establish a new branch in Bryan on Monday, July 6, 1987, and be renamed United Citizens Bank, National Association. Depositors of the failed bank automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Citizens Bank, with total assets of \$39.1 million, was closed on Thursday, July 2, 1987, by Kenneth W. Littlefield, Texas Bank Commissioner, and the FDIC was named receiver.

United Citizens Bank will assume about \$36.3 million in 9,600 deposit accounts and has agreed to pay the FDIC a purchase premium of \$5,000. It also will purchase certain of the failed bank's assets for \$6.7 million. To facilitate the transaction, the FDIC will advance about \$30.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$32.4 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 FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

###