



## NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-150-87 (8-20-87)

### FDIC APPROVES DEPOSIT ASSUMPTION OF AMERICAN EXCHANGE BANK AND TRUST COMPANY, NORMAN, OKLAHOMA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of American Exchange Bank and Trust Company, Norman, Oklahoma, by Bank of Oklahoma, National Association, Tulsa, Oklahoma.

The failed bank's only office will reopen on Friday, August 21, 1987, as a branch of Bank of Oklahoma, National Association, and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

American Exchange Bank and Trust Company, with total assets of \$98.4 million, was closed on Thursday, August 20, 1987, by Wayne H. Osborn, Oklahoma Bank Commissioner, and the FDIC was named receiver.

Bank of Oklahoma, National Association, will assume about \$94.8 million in 17,000 deposit accounts and has agreed to pay the FDIC a purchase premium of \$1,425,000. It also will purchase certain of the failed bank's loans and other assets for \$48.3 million. To facilitate the transaction, the FDIC will advance about \$47.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$50.1 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. Of the 119 potential bidders invited to submit bids for the acquisition of the failed bank, five were submitted to the FDIC. Bank of Oklahoma, National Association, was the highest bidder. Its purchase premium will reduce the potential loss to the FDIC.

- more -

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.

###