



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-7-88 (1-14-88)

FDIC APPROVES DEPOSIT ASSUMPTION OF THE MORAN NATIONAL BANK, MORAN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of The Moran National Bank, Moran, Texas, by The Peoples State Bank, Clyde, Texas.

The failed bank's sole office will reopen on Friday, January 15, 1988, as a branch of The Peoples State Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

The Moran National Bank, with total assets of about \$16.8 million, was closed on Thursday, January 14, 1988, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

The Peoples State Bank will assume about \$15.9 million in 2,000 deposit accounts and will purchase substantially all of the failed bank's assets at a discount of \$5,789,475.

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 substantially lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the majority of assets and all deposits will be administered by The Peoples State Bank, the failed bank's customers will have the benefit of continuous, uninterrupted service.

###