



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF BANK OF DALLAS, DALLAS, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Bank of Dallas, Dallas, Texas, by Deposit Guaranty Bank, Dallas, Texas, a newly-chartered state bank.

The failed bank's two offices will reopen on Monday, February 8, 1988, as Deposit Guaranty Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Bank of Dallas, with total assets of about \$193.9 million, was closed on Friday, February 5, 1988, by Kenneth W. Littlefield, Texas Banking Commissioner, and the FDIC was named receiver.

Deposit Guaranty Bank will assume about \$170.2 million in 14,900 deposit accounts and will purchase \$162.6 million of the failed bank's assets at a discount of \$65.0 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 transaction will result in a substantially 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 Deposit Guaranty Bank, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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