



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC GRANTS ASSISTANCE TO PREVENT FAILURE OF BURNS STATE BANK, BURNS, KANSAS

The Board of Directors of the Federal Deposit Insurance Corporation today announced it has granted financial assistance under Section 13(c) of the Federal Deposit Insurance Act to facilitate the merger of Burns State Bank, Burns, Kansas, into First National Bank & Trust Company, El Dorado, Kansas. The transaction was effective on April 15, 1988. As a result of this action, all customers of the former Burns State Bank will continue to receive uninterrupted services.

Burns State Bank, which operated its sole office in Burns, Kansas, had assets of about \$4.0 million. The office in Burns will be operated as a branch of the First National Bank & Trust Company.

The FDIC's financial assistance consists of a cash infusion of \$567,000. The key feature of the assistance program is that the FDIC assumes none of the bank's assets. However, the FDIC will retain responsibility for pursuing legal claims against bonding and insurance companies, accountants, attorneys, directors and officers of the former Burns State Bank.

The FDIC will consider a request for assistance to prevent the failure of an insured bank if such an approach proves least costly to the insurance fund. The FDIC Board approved the assistance for Burns State Bank based on the determination that it was the least costly approach for resolving financial problems at the bank.

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