



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF FIRST NATIONAL BANK, SHERMAN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and other liabilities of First National Bank, Sherman, Texas, by The First National Bank of Van Alstyne, Van Alstyne, Texas.

The failed bank's sole office will reopen on Friday, July 1, 1988, as a branch of The First National Bank of Van Alstyne and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

First National Bank, with total assets of about \$25.2 million, was closed on Thursday, June 30, 1988, by Judith A. Walter, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

The First National Bank of Van Alstyne will assume about \$23.1 million in 3,600 deposit accounts and will purchase substantially all of the failed bank's assets at a discount of \$4,298,000.

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 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 The First National Bank of Van Alstyne, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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