



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF FARMERS & MERCHANTS BANK OF ELMO, ELMO, MISSOURI

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Farmers & Merchants Bank of Elmo, Elmo, Missouri, by First Bank of Maryville, Maryville, Missouri.

The failed bank's two offices will reopen on Friday, August 5, 1988, as branches of First Bank of Maryville and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Farmers & Merchants Bank of Elmo, with total assets of about \$9.4 million, was closed on Thursday, August 4, 1988, by Thomas B. Fitzsimmons, Missouri Commissioner of Finance, and the FDIC was named receiver.

First Bank of Maryville will assume about \$9.0 million in 2,200 deposit accounts and will purchase \$7.8 million of the failed bank's assets at a discount of \$1,515,000.

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 First Bank of Maryville, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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