FDIC FEDERAL DEPOSIT INSURANCE CORPORATION

NEWS RELEASE

FOR IMMEDIATE RELEASE PR-180-86 (11-14-86)

FDIC TRANSFERS INSURED DEPOSITS OF FIRST NATIONAL BANK OF TEMPLE, TEMPLE, OKLAHOMA

The Board of Directors of the Federal Deposit Insurance Corporation today approved the transfer of insured deposits and fully secured or preferred deposits of the First National Bank of Temple, Temple, Oklahoma, to Union National Bank of Oklahoma, Temple, Oklahoma, a newly-chartered subsidiary of The Union of Arkansas Corporation, Little Rock, Arkansas. The failed bank's only office will reopen on Monday, November 17, 1986, as Union National Bank of Oklahoma.

The out-of-state acquisition was made possible by recent Oklahoma legislation that permits such an acquisition when no acceptable in-state bids are received for a failed bank.

The Board of Directors decided to arrange an insured deposit transfer because of the uncertainty of the value of the bank's assets.

First National Bank of Temple, with total assets of about $6.9 million, was closed on Friday, November 14, 1986, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver. Mr. Herrmann said: "The bank's losses resulted from what appears to be a misappropriation of funds."

At the time the bank closed, its deposits totalled about $6.6 million in 1,500 deposit accounts including about $7,000 in 11 accounts that exceeded the federal insurance limit of $100,000. Uninsured depositors and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from the liquidation of the failed bank's assets.

-more-

Deposits in the failed bank up to the statutory insurance limit of $100,000 will be available to their owners immediately. Checks drawn on the failed bank's accounts will continue to be honored.

Even though insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank for an 18-month period, they are encouraged to visit the bank during the next several weeks to discuss the continuation of their banking relationship with the new bank. From the standpoint of customer convenience and service, it would be preferable for these visits to be spread out over the next month or longer than to occur within the next week or so.

Administration of the insured deposits transferred to the new bank will be funded by an equivalent cash payment from the FDIC. The new bank is paying the FDIC a premium of $25,000 for the right to receive the transferred deposits, and will purchase other assets of the failed bank for $5.2 million.

###