



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC TO PAY OFF DEPOSITORS IN PRINCETON STATE BANK, PRINCETON, MISSOURI

The Board of Directors of the Federal Deposit Insurance Corporation today approved paying off insured depositors in Princeton State Bank, Princeton, Missouri.

The bank was closed on Thursday, December 19, 1985, by Thomas B. Fitzsimmons, Missouri Commissioner of Finance, and the FDIC was named receiver.

Mr. Fitzsimmons said: "The bank failed because of loan losses attributable to a combination of liberal lending practices, ineffective loan administration, and weaknesses in the agricultural economy of the area."

Deposits in Princeton State Bank amounted to about \$17.0 million in 4,800 accounts. The FDIC estimates that all but about \$1,000 of the deposits, in two accounts, are within the federal insurance limit of \$100,000, or are otherwise secured. Owners of such uninsured deposits will share proportionately with the FDIC in the proceeds realized from liquidation of the bank's assets.

The FDIC Board of Directors determined that a payoff of insured depositors was required because no bids were received for the failed bank.

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