



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-99-84 (8-16-84)

FDIC ANNOUNCES DEPOSIT ASSUMPTION OF AMERICAN NATIONAL BANK IN MCLEAN, MCLEAN, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation today announced that the deposit liabilities of the American National Bank in McLean, McLean, Texas, have been assumed by McLean Bank of Commerce, McLean, Texas, a newly-chartered subsidiary of Gray Co. Bancshares, Inc., McLean, Texas. The failed bank's sole office will reopen on Friday, August 17, 1984 as McLean Bank of Commerce and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

The American National Bank in McLean was closed on August 16, 1984, by H. Joe Selby, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver. Mr. Selby said: "Over the past year the bank experienced substantial deterioration in the quality of its loan portfolio. American National Bank in McLean was unable to remedy its problems, and losses finally exhausted the bank's capital funds resulting in its insolvency."

In addition to assuming about \$13.1 million in 3,000 deposit accounts, McLean Bank of Commerce has agreed to pay the FDIC a purchase premium of \$52,500. The assuming bank will purchase the failed bank's installment loans and certain other assets. To facilitate the transaction, the FDIC will advance cash amounting to \$8.4 million and will retain assets of the failed bank with a book value of approximately \$9.6 million.

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The FDIC approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the Corporation. The Board of Directors made such a finding in this case because of the premium paid by McLean Bank of Commerce.

The FDIC expects to recover a substantial portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of the shareholders of the closed bank.

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