



# PRESS RELEASE

Federal Deposit Insurance Corporation

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Media Contact:  
Elizabeth Ford (202) 898-6993

## **BOATMEN'S FIRST NATIONAL BANK OF AMARILLO ASSUMES ALL DEPOSITS OF PEOPLES BANK AND TRUST, BORGER, TEXAS**

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation approved the assumption of all the deposits of Peoples Bank and Trust, Borger, Texas, by Boatmen's First National Bank of Amarillo, Amarillo, Texas.

Peoples Bank and Trust was closed by Catherine A. Ghiglieri, Texas Banking Commissioner, on Friday, May 31, 1996, and the FDIC was named receiver.

The failed bank's two offices will reopen as branches of Boatmen's First National on Monday, June 3. Peoples Bank and Trust's depositors will automatically become depositors of the assuming bank.

Boatmen's First National will assume \$24.1 million in about 2,600 deposit accounts and will pay the FDIC a premium of \$500,000 for the right to receive the failed bank's deposits and to purchase \$6.9 million in assets. Boatmen's First National will also pay a premium of \$332,000 to purchase an additional \$4.3 million in assets. Peoples Bank and Trust had total assets of \$25.3 million.

In a separate agreement, Amarillo National Bank, Amarillo, Texas, will pay a premium of \$440,000 to purchase \$4.0 million of the failed bank's assets from the FDIC.

The FDIC estimates the cost of this transaction to the Bank Insurance Fund (BIF) to be approximately \$2.1 million.

The FDIC notes that its claim on recoveries from the sale of the failed bank's assets will have priority over non-depositor creditors of the failed bank.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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Peoples Bank and Trust is the second BIF-insured failure in the U.S. this year, and it is the first failure in Texas since Plaza Bank, National Association of New Braunfels, New Braunfels, was closed on October 14, 1993.