



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

February 14, 2020

**Media Contact:**  
**FDIC Customer Service Call**  
**Center**  
**Toll Free - 1-877-367-2717**

## **Farmers and Merchants Bank Assumes All of the Deposits of Ericson State Bank, Ericson, Nebraska**

**WASHINGTON** — Ericson State Bank in Ericson, Nebraska, was closed today by the Nebraska Department of Banking and Finance, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect depositors, the FDIC entered into a purchase and assumption agreement with Farmers and Merchants Bank in Milford, Nebraska, to assume all of the deposits of Ericson State Bank.

The sole branch of Ericson State Bank will reopen as a branch of Farmers and Merchants Bank on Tuesday, February 18, 2020. Depositors of Ericson State Bank will automatically become depositors of Farmers and Merchants Bank. Deposits will continue to be insured by the FDIC, so customers do not need to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Ericson State Bank should continue to use their existing branch until they receive notice from Farmers and Merchants Bank that it has completed systems changes to allow other Farmers and Merchants Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Ericson State Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2019, Ericson State Bank had approximately \$100.9 million in total assets and \$95.2 million in total deposits. In addition to assuming all of the deposits, Farmers and Merchants agreed to purchase approximately \$9.6 million of Ericson State Bank's assets. The FDIC will retain the remaining assets for later disposition.



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.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-11-2020

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$14.1 million. Compared to other alternatives, Farmers and Merchants Bank's acquisition was the least costly resolution for the DIF, which is an insurance fund created by Congress in 1933 and managed by the FDIC to protect the deposits at the nation's banks. Ericson State Bank is the first FDIC-insured institution to fail this year.

Customers with questions about the transaction should call the FDIC toll-free at 1-877-367-2717. The phone number will be operational this evening until 9:00 p.m., Central Time (CT); on Saturday from 9:00 a.m. to 6:00 p.m., CT; on Sunday from noon to 6:00 p.m., CT; on Monday from 8:00 a.m. to 8:00 p.m., CT; and thereafter from 9:00 a.m. to 5:00 p.m., CT. Interested parties also can visit the FDIC's website at <https://www.fdic.gov/bank/individual/failed/ericsonstate.html>.

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