



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC APPROVES THE ASSUMPTION OF THE INSURED DEPOSITS OF THE BANK OF FALKNER, FALKNER, MISSISSIPPI

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) has approved the purchase and assumption of the insured deposits of The Bank of Falkner, Falkner, Mississippi, by Citizens Bank & Savings Company, Russellville, Alabama.

The Bank of Falkner, with approximately \$88.8 million in assets, was closed today by Mississippi's Commissioner of Banking and Consumer Finance, and the FDIC was named receiver.

The Bank of Falkner's four offices will reopen on Saturday, September 30, 2000, as branches of Citizens Bank & Savings Company. The failed institution had total deposits of \$77.1 million in about 5,827 accounts, including approximately \$7.3 million in 387 accounts that exceeded the insurance limit. Citizens Bank & Savings Company will assume the failed institution's insured deposits and will pay a premium of \$2.5 million for the right to those deposits and to purchase approximately \$21.7 million of The Bank of Falkner's assets. The FDIC will retain the remaining assets for later disposition.

The receiver is in the process of valuing the assets of the failed bank. Based on the information now available and until the extent of suspected fraudulent activity can be identified at the bank, the FDIC is unable to estimate the loss to the fund at this time. The Bank of Falkner is the fourth BIF-insured institution failure this year and the fifth failure of an institution insured by the FDIC in 2000.



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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