



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
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The Pecos County Bank Acquires All the Deposits of Sanderson State Bank, Sanderson, Texas

Sanderson State Bank, Sanderson, Texas, was closed today by the Texas Department of Banking, and the Federal Deposit Insurance Corporation (FDIC) was named receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with The Pecos County State Bank, Fort Stockton, Texas, to assume all of Sanderson State Bank's deposits, including those that exceeded the deposit insurance limit.

Sanderson State Bank's sole office will reopen on Monday as a branch of The Pecos County State Bank. All depositors of the failed bank will automatically become depositors of The Pecos County State Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their existing banking relationship to retain their deposit insurance coverage. Customers of the failed bank should continue to use the same banking location until they receive further information from The Pecos County State Bank.

Over the weekend, depositors of Sanderson State Bank will have access to all of their money by writing checks or using ATMs 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 3, 2008, Sanderson State Bank had total assets of \$37 million and total deposits of \$27.9 million. The Pecos County State Bank agreed to assume all of the deposits for a .55 percent premium. In addition to assuming all of the failed bank's deposits, The Pecos County State Bank will purchase approximately \$3.8 million of assets, and have the option to purchase owned premises and equipment. 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, by subscription electronically (go to 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-135-2008**

Customers who have questions about today's transaction can call the FDIC toll-free at 1-866-782-1766. This phone number will be operational this evening until 9:00 p.m., CST; on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon until 6:00 p.m., CST; and thereafter from 8 a.m. to 8 p.m., Central. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/sanderson.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$12.5 million. The Pecos County State Bank's acquisition of all the deposits was the least costly resolution for the FDIC's Deposit Insurance Fund compared to alternatives. Sanderson State Bank is the 25th bank to fail in the nation this year, and the second in Texas. The last bank to be closed in the state was Franklin Bank, SSB, Houston, TX, on November 7, 2008.