



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FARMERS & MERCHANTS BANK, TRYON, OKLAHOMA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Farmers & Merchants Bank, Tryon, Oklahoma, by Union National Bank of Chandler, Chandler, Oklahoma.

The failed bank's sole office will not reopen, but customers will have access to all their deposits on Friday, March 20, 1992 at Union National Bank of Chandler's office. The failed bank's depositors automatically will become depositors of the assuming bank.

Farmers & Merchants Bank, with total assets of \$4.0 million, was closed on Thursday, March 19, 1992, by Wayne H. Osborn, Oklahoma Bank Commissioner, and the FDIC was named receiver.

Union National Bank will assume about \$3.9 million in about about 850 deposit accounts. It will pay a premium of \$16,780 for the right to receive the failed bank's deposits and will purchase \$1.7 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$2.2 million to the assuming bank and will retain assets of the failed bank with a book value of about \$2.4 million.

The Board of Directors approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC. 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.

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