



# NEWS RELEASE

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## FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF INDEPENDENCE BANK, PLANO, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of Independence Bank, Plano Texas, by First Western National Bank, Carrollton, Texas.

The failed bank's sole office will reopen on Friday, March 20, 1992, as a branch of First Western National Bank, and its depositors automatically will become depositors of the assuming bank.

Independence Bank, with total assets of \$20.3 million, was closed on Thursday, March 19, 1992, by Randall S. James, Acting Texas Banking Commissioner, and the FDIC was named receiver.

First Western National Bank will assume about \$19.0 million in about 3,700 deposit accounts, and will purchase about \$16.3 million of the failed bank's assets at a discount of \$800,000. At the time the bank closed, it had approximately \$435,000 in 27 accounts that exceeded the federal insurance limit of \$100,000 and will not be assumed by First Western National Bank.

The Board of Directors also voted to make a prompt advance payment to uninsured depositors equal to 67 percent of the uninsured claims. This payment is based on the estimated present value of assets to be liquidated. If actual collections on the assets exceed this estimate, on a present value basis, uninsured depositors ultimately will receive additional payments on their claim.

The Board of Directors approved the deposit assumption under its

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authority to do so whenever it determines that such a transaction will reduce the potential loss to the FDIC. The transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by First Western National Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

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