



## NEWS RELEASE

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### FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF FIVE SUBSIDIARIES OF FIRST EXCHANGE CORPORATION, CAPE GIRARDEAU, MISSOURI

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits and secured liabilities of five bank subsidiaries of First Exchange Corporation, Cape Girardeau, Missouri, by five Missouri financial institutions.

The five failed banks, with total assets of \$356.4 million, were closed today by Earl Manning, Missouri Commissioner of Finance, and the FDIC was named receiver. The failed banks' depositors automatically will become depositors of their respective assuming banks when they reopen Friday, May 8, 1992.

Two of the three offices of the failed Jackson Exchange Bank and Trust Company, Jackson, will reopen as branches of Boatmen's National Bank of Cape Girardeau, Cape Girardeau. Depositors at the failed bank's Highway 61 East Branch in Jackson, which is not reopening, can conduct their banking business at Boatmen's 1846 E. Jackson Boulevard office.

Boatmen's National will assume about \$124.1 million in 18,400 deposit accounts, and has agreed to pay the FDIC a premium of \$1,357,530. At the time Jackson Exchange Bank and Trust Company closed, approximately \$1.1 million in 27 accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by Boatmen's National. The assuming bank will also acquire approximately \$15.9 million of Jackson Exchange Bank and Trust Company's \$128.7 million in assets. To facilitate the transaction, the FDIC will advance about \$98.2 million to the assuming bank and will retain assets of the failed bank with a book value of about \$112.8 million.

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The sole office of the failed First Exchange Bank of Cape Girardeau, Cape Girardeau, will reopen as a branch of Commerce Bank of Poplar Bluff, National Association, Poplar Bluff.

Commerce Bank will assume about \$83.6 million in 7,500 deposit accounts, and has agreed to pay the FDIC a premium of \$2,402,052. At the time First Exchange Bank of Cape Girardeau closed, approximately \$942,000 in 38 accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by Commerce Bank. The assuming bank will also acquire approximately \$8.9 million of First Exchange Bank of Cape Girardeau's \$86.1 million in assets. To facilitate the transaction, the FDIC will advance about \$70.5 million to the assuming bank and will retain assets of the failed bank with a book value of about \$77.2 million.

The two offices of First Exchange Bank of St. Louis, St. Louis, will reopen as branches of Magna Bank of St. Louis, St. Louis.

Magna Bank will assume about \$59.6 million in 5,800 deposit accounts, and has agreed to pay the FDIC a premium of \$1,251,000. At the time First Exchange Bank of St. Louis closed, approximately \$35,000 in four accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by Magna Bank. The assuming bank will also acquire approximately \$7.8 million of First Exchange Bank of St. Louis's \$59.4 million in assets. To facilitate the transaction, the FDIC will advance about \$50.5 million to the assuming bank and will retain assets of the failed bank with a book value of about \$51.6 million.

The three offices of the failed First Exchange Bank of North St. Louis County, Florissant, will reopen as branches of First Bank A Savings Bank, Clayton.

First Bank A Savings Bank will assume about \$45.7 million in 6,500 deposit accounts, and has agreed to pay the FDIC a premium of \$556,101. At the time First Exchange Bank of North St. Louis closed, approximately \$15,000 in four accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by First Bank A Savings Bank. The assuming bank will also acquire approximately \$9.2 million of First Exchange Bank of North St. Louis's \$47.6 million in assets. To facilitate the transaction, the FDIC will advance about \$36.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$38.4 million.

The 713 West Main Street office of the failed First Exchange Bank of Madison County, Fredericktown, will reopen as a branch of Commerce Bank of St. Francois County, National Association, Farmington. Depositors of the failed bank's other two offices, which are not reopening, may conduct their banking business at the 713 West Main Street office.

Commerce Bank of St. Francois County will assume about \$33.1 million in 5,800 deposit accounts, and has agreed to pay the FDIC a premium of \$551,000. At the time First Exchange Bank of Madison County closed, approximately \$31,000 in nine accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by Commerce Bank of St. Francois County. The assuming bank will also acquire approximately \$15.8 million of First Exchange Bank of Madison County's \$34.6 million in assets. To facilitate the transaction, the FDIC will advance about \$13.6 million to the assuming bank and will retain assets of the failed bank with a book value of about \$18.8 million.

Customers with deposits in the failed banks up to the statutory insurance limit of \$100,000 will continue to have immediate access to their accounts.

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Insured depositors in the failed banks can automatically continue to conduct their banking transactions with the respective acquiring bank.

The Board of Directors approved the deposit assumptions under its authority to do so whenever it determines that such transactions will reduce the potential loss to the FDIC. The FDIC notes that its claims on recoveries from the sale of the assets from the failed banks will have priority over the nondepositor creditors of the failed banks. Owners of deposit funds in excess of the \$100,000 insurance limit will realize partial recovery of their funds based on proceeds from the sale of the assets of the failed banks.

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