



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF AMERICAN NATIONAL BANK - POST OAK, HOUSTON, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of American National Bank - Post Oak, Houston, Texas, by First Prosperity Bank, El Campo, Texas.

The failed bank's sole office will reopen on Friday, June 26, 1992, as a branch of First Prosperity, and its depositors automatically will become depositors of the assuming bank.

American National, with total assets of \$22.7 million, was closed on Thursday, June 25, 1992, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

First Prosperity will assume about \$21.9 million in about 3,000 deposit accounts. At the time the bank closed, approximately \$1.3 million in 33 accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by First Prosperity.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, equal to 78 percent of the uninsured claims. If actual collections on the assets of the failed bank exceed this initial payment, uninsured depositors ultimately will receive additional payments on their claim.

First Prosperity will pay a premium of \$547,000 for the right to receive the failed bank's deposits and will purchase \$10.0 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance

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about \$8.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$12.7 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. Uninsured depositors and non-depositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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