



## NEWS RELEASE

FOR IMMEDIATE RELEASE  
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### FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF FIRST NATIONAL BANK OF TEXAS, WEBSTER, TEXAS

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

The failed bank's three offices will reopen on Friday, July 24, 1992, as branches of First Prosperity Bank, and its depositors automatically will become depositors of the assuming bank.

First National Bank of Texas, with total assets of \$85.8 million, was closed on Thursday, July 23, 1992, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

First Prosperity Bank will assume about \$81.3 million in about 6,600 deposit accounts. At the time the bank closed, approximately \$1.2 million in 120 accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by First Prosperity Bank.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, equal to 75 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 Bank will pay a premium of \$101,000 for the right to receive the failed bank's deposits and will purchase \$48.0 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance

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about \$28.8 million to the assuming bank and will retain assets of the failed bank with a book value of about \$39.9 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. Non-depositor creditors and uninsured depositors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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