



NEWS RELEASE

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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF THE RUSHVILLE NATIONAL BANK, RUSHVILLE, INDIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of The Rushville National Bank, Rushville, Indiana, by Peoples Trust Company, Brookville, Indiana.

The failed bank's three offices will reopen on Saturday, December 19, 1992, as branches of Peoples Trust, and its depositors automatically will become depositors of the assuming bank.

The Rushville National Bank, with total assets of \$35.6 million, was closed on Friday, December 18, 1992, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Peoples Trust will assume about \$31.4 million in about 6,000 deposit accounts. At the time the bank closed, about \$489,000 in 35 accounts exceeded the federal deposit insurance limit of \$100,000. These funds will not be assumed by Peoples Trust.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, which will equal 54 percent of the uninsured claims. Advance payment checks will be mailed beginning Tuesday, December 22, 1992.

The assuming bank will pay a premium of \$1.3 million for the right to receive the failed bank's deposits and will purchase \$29.5 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$1.6 million to the assuming bank and will retain assets of the failed

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bank with a book value of about \$6.8 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 will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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