



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF CLIFTON NATIONAL BANK, CLIFTON, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Clifton National Bank, Clifton, Texas, by First National Bank in Valley Mills, Valley Mills, Texas.

The failed bank's sole office will reopen on Friday, June 8, 1990, as a branch of First National Bank in Valley Mills, and its depositors automatically will become depositors of the assuming bank.

Clifton National Bank, with total assets of \$13.3 million, was closed on Thursday, June 7, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

First National Bank in Valley Mills will assume about \$12.9 million in 1,800 deposit accounts and has agreed to pay the FDIC a purchase premium of \$2,500. It also will purchase approximately \$10.8 million of the failed bank's loans and other assets. To facilitate the transaction, the FDIC will advance about \$2.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$2.4 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.

The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank.

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