



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF ALLIANCE BANK, ANCHORAGE, ALASKA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Alliance Bank, Anchorage, Alaska, by National Bank of Alaska, Anchorage, Alaska. Eleven of the failed bank's 14 offices will reopen on Monday, April 24, 1989, as branches of National Bank of Alaska and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court. The failed bank's branches located at Nome, Sealaska Plaza in Juneau, and Dillingham will not reopen. However, customers of these offices will have access to their deposits at nearby offices of National Bank of Alaska.

Alliance Bank, with total assets of about \$813.1 million, was closed on Friday, April 21, 1989, by Willis F. Kirkpatrick, Alaska Director of Banking and Securities, and the FDIC was named receiver.

National Bank of Alaska will assume about \$792.9 million in 37,000 deposit accounts and will purchase approximately \$454.2 million of the failed bank's assets, including \$54.7 million of the bank's small loans at a discount of \$7,999,000.

To facilitate the transaction the FDIC will advance \$356.7 million to the assuming bank and will retain assets of the failed bank with a book value of \$358.9 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.

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The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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