



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TRANSFERS INSURED DEPOSITS OF BENNETT NATIONAL BANK, BENNETT, COLORADO

The Board of Directors of the Federal Deposit Insurance Corporation has approved the transfer of insured deposits and fully secured or preferred deposits of Bennett National Bank, Bennett, Colorado, to The First National Bank of Strasburg, Strasburg, Colorado. The failed bank's sole office will reopen on Friday, June 14, 1989, as a branch of The First National Bank of Strasburg.

The Board of Directors decided to arrange an insured deposit transfer because no acceptable bids were received for a purchase and assumption transaction.

Bennett National Bank, with total assets of about \$8.4 million, was closed on Thursday, July 13, 1989, by Judith Walter, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$8.0 million in 1,600 deposit accounts, including approximately \$8,000 in 9 accounts that exceeded the federal insurance limit of \$100,000. Uninsured depositors and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

Deposits in the failed bank up to the statutory insurance limit of \$100,000 will be available to their owners on Friday, July 14, 1989. In the interim, checks drawn on the failed bank's accounts, up to the insurance limit, will continue to be honored.

Insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank. However, they

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should visit the acquiring bank during the next several weeks to discuss continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The First National Bank of Strasburg will purchase certain assets of the failed bank for \$1.8 million, and will have options to purchase loans and other assets of the failed bank. The FDIC will retain assets of the failed bank with a book value of \$6.6 million.

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