



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-229-89 (12-1-89)

FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FIRST SECURITY BANK OF GLENDIVE, GLENDIVE, MONTANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of First Security Bank of Glendive, Glendive, Montana, by The First National Bank of Glendive, Glendive, Montana. The closed bank was not affiliated with any other banking institution.

The failed bank's sole office will reopen on Monday, December 4, 1989, as a branch of The First National Bank of Glendive, and its depositors automatically will become depositors of the assuming bank.

First Security Bank of Glendive, with total assets of \$34.5 million, was closed on Friday, December 1, 1989, by Fred J. Flanders, Montana Commissioner of Financial Institutions, and the FDIC was named receiver.

The First National Bank of Glendive will assume about \$32.1 million in 5,500 deposit accounts and will purchase approximately \$33 million of the failed bank's assets at a discount of \$3,529,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by The First National Bank of Glendive, the failed bank's customers will have the benefit of continuous uninterrupted service.

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