



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF CITIZENS BANK OF RAY, RAY, NORTH DAKOTA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of Citizens Bank of Ray, Ray, North Dakota, by First National Bank & Trust Company of Williston, Williston, North Dakota.

The failed bank's two offices will reopen on Friday, October 16, 1987, as offices of First National Bank & Trust Company of Williston and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Citizens Bank of Ray, with total assets of \$12.1 million, was closed on Thursday, October 15, 1987, by Gary D. Preszler, North Dakota Commissioner of Banking and Finance, and the FDIC was named receiver.

First National Bank & Trust Company of Williston will assume about \$11.4 million in 2,400 deposit accounts and has agreed to pay the FDIC a purchase premium of \$125,670. It also will purchase certain of the failed bank's loans and other assets for \$8.3 million. To facilitate the transaction, the FDIC will advance about \$3.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$3.8 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.

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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