



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF SANDY STATE BANK, SANDY, UTAH

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Sandy State Bank, Sandy, Utah, by Zions First National Bank, Salt Lake City, Utah.

The failed bank's offices will reopen on Tuesday, May 31, 1988, as branches of Zions First National Bank and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Sandy State Bank, with total assets of about \$8.6 million, was closed on Friday, May 27, 1988, by George R. Sutton, Utah Commissioner of Financial Institutions, and the FDIC was named receiver.

Zions First National Bank will assume about \$6.7 million in 1,800 deposit accounts and will purchase approximately \$2.9 million of the failed bank's assets, including \$671,000 of the bank's small loans at a discount of \$128,000.

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 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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