



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-120-88 (6-14-88)

FDIC GRANTS ASSISTANCE TO PREVENT FAILURE OF BANK OF IMBODEN, IMBODEN, ARKANSAS

The Board of Directors of the Federal Deposit Insurance Corporation today announced it has granted financial assistance under Section 13(c) of the Federal Deposit Insurance Act to prevent the failure of Bank of Imboden, Imboden, Arkansas. The transaction is effective June 14, 1988. The FDIC acted following notification by Bill Ford, Arkansas Bank Commissioner, that Bank of Imboden was in danger of failing.

Concurrent with the granting of FDIC assistance, Bank of Imboden will be acquired by Spring Rivers Bancshares, Inc., Imboden, Arkansas, a newly formed bank holding company. As a result of this transaction, all deposit and loan customers of Bank of Imboden will be afforded uninterrupted service. Bank of Imboden had total assets of about \$17.8 million and total deposits of about \$17.2 million.

The FDIC's financial assistance consists of \$2,100,000 to offset losses in the bank. A \$1,400,000 injection to capital and reserves will be provided by Spring Rivers Bancshares, Inc. The FDIC will share in recoveries of covered losses of the bank. The responsibility for pursuing collections and claims will remain with the bank.

The FDIC Board of Directors determined that this transaction will be less costly to the FDIC than alternative methods of addressing the bank's problems.

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