



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC TRANSFERS INSURED DEPOSITS OF PEOPLES STATE BANK OF MEEKER, MEEKER, 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 Peoples State Bank of Meeker, Meeker, Colorado, to The First National Bank of Meeker, Meeker, Colorado. The failed bank's sole office will not reopen. However, its insured depositors will have access to their funds on Monday, September 26, 1988, at The First National Bank of Meeker.

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

Peoples State Bank of Meeker, with total assets of \$3.7 million, was closed on Friday, September 23, 1988, by James T. Dillon, Acting Colorado State Bank Commissioner, and the FDIC was named receiver.

At the time the bank closed, its deposits totaled about \$3.6 million in 1,000 deposit accounts including \$5,000 in one account that exceeded the federal insurance limit of \$100,000. The uninsured depositor and nondepositor creditors will share proportionately with the FDIC in the proceeds realized from the 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 Monday, September 26, 1988. 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 the continuation of their banking relationship.

Administration of the transferred insured deposits will be funded by an equivalent cash payment from the FDIC. The acquiring bank is paying the FDIC a premium of \$1,000 for the right to receive the transferred deposits, and will purchase assets of the failed bank for \$407,000.

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