



# NEWS RELEASE

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## FDIC TRANSFERS INSURED DEPOSITS OF AMERICAN BANK OF CASPER, CASPER, WYOMING

The Board of Directors of the Federal Deposit Insurance Corporation today approved the transfer of insured deposits and fully secured or preferred deposits of American Bank of Casper, Casper, Wyoming, to Hilltop National Bank, Casper, Wyoming.

Although the failed bank's only office and drive-in facility will close permanently, insured deposits will be transferred to Hilltop National Bank and will be available at that location on Tuesday, January 21, 1986.

American Bank of Casper was closed on Friday, January 17, 1986, by Wyoming State Examiner Stanley R. Hunt and the FDIC was named receiver. Mr. Hunt said: "The bank's equity capital was found to have been dissipated by severe loan losses caused by depressed conditions in the community, insider transactions, and poor lending practices by the bank's management, resulting in its insolvency."

At the time the bank closed, its deposits amounted to about \$15.0 million in 4,300 deposit accounts. Of the total, approximately \$191,000 in 19 accounts exceeded the federal insurance limit of \$100,000. Uninsured depositors 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 immediately. Checks drawn on the failed bank's accounts will continue to be honored.

Even though insured depositors in the failed bank can automatically continue to conduct their banking transactions with the acquiring bank for an

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18-month period, they are encouraged to visit Hilltop National Bank during the next several weeks to discuss the continuation of their banking relationship with the new bank. From the standpoint of customer convenience and service, it would be preferable for these visits to be spread out over the next month or longer than to occur within the next week or so.

Administration of the insured deposits transferred to the new bank will be funded by an equivalent cash payment from the FDIC. The new bank is paying the FDIC a premium of \$12,223.00 for the right to receive the transferred deposits, and will purchase other assets of the failed bank for \$11.3 million.

The Board of Directors decided to arrange an insured deposit transfer because no bids were received for the failed bank.

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