



## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### FDIC APPROVES DEPOSIT ASSUMPTION OF CENTENNIAL STATE BANK OF COLORADO, ENGLEWOOD, COLORADO

The Board of Directors of the Federal Deposit Insurance Corporation today approved the assumption of the deposit liabilities of Centennial State Bank of Colorado, Englewood, Colorado, by First Interstate Bank of Centennial, N.A., Englewood, Colorado, a newly-chartered national bank subsidiary of First Golden Bancorporation, Golden, Colorado.

The failed bank's only office will reopen on Saturday, May 24, 1986, as First Interstate Bank of Centennial, N.A., and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Centennial State Bank of Colorado, which had total assets of \$19.1 million, was closed on Friday, May 23, 1986, by Richard B. Doby, Colorado State Bank Commissioner, and the FDIC was named receiver. Mr. Doby cited the failure of the directors and stockholders to meet a May 22 deadline for the infusion of additional capital.

First Interstate Bank of Centennial, N.A., will assume about \$18.9 million in 5,300 deposit accounts and has agreed to pay the FDIC a purchase premium of \$376,000. It also will purchase certain of the failed bank's loans and other assets for \$14.7 million. To facilitate the transaction, the FDIC will advance \$4.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$4.4 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 Board made such a finding in this case

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because of the premium paid by First Interstate Bank of Centennial, N.A.

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 shareholders of the closed bank.

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