



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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## FDIC ANNOUNCES DEPOSIT ASSUMPTION OF FIRST NATIONAL BANK OF GLENROCK, GLENROCK, WYOMING

The Board of Directors of the Federal Deposit Insurance Corporation today announced that the deposit liabilities of First National Bank of Glenrock, Glenrock, Wyoming, have been assumed by National Bank of Glenrock, Glenrock, Wyoming, a newly-chartered national bank. The failed bank's sole office will reopen on Wednesday, July 24, 1985, as National Bank of Glenrock and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

First National Bank of Glenrock was closed on Tuesday, July 23, 1985, by H. Joe Selby, Acting Comptroller of the Currency, and the FDIC was named receiver. Mr. Selby said: "Over the past several years the bank has experienced a substantial deterioration in the quality of its loan portfolio. The bank was unable to remedy its problems and losses finally exhausted the bank's capital funds, resulting in its insolvency."

National Bank of Glenrock will assume about \$17 million in 3,700 deposit accounts and has agreed to pay the FDIC a purchase premium of \$9,000. It also will purchase certain of the failed bank's loans and other assets for \$13.4 million. To facilitate the transaction, the FDIC will advance \$9.0 million to the assuming bank and will retain assets of the failed bank with a book value of about \$10.8 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 because of the premium paid by National Bank of Glenrock.

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The FDIC expects to recover a substantial 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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The FDIC is currently in the process of liquidating the assets of the failed bank. The FDIC has identified a number of assets that are expected to be recovered. These assets include real estate, loans, and other assets. The FDIC is also in the process of identifying the liabilities of the failed bank. These liabilities include deposits, loans, and other liabilities. The FDIC is currently in the process of liquidating the assets of the failed bank and is expected to recover a substantial portion of its outlay through the liquidation of assets not transferred to the assuming bank.

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