



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-194-85 (12-5-85)

FDIC TO PAY OFF DEPOSITORS IN SECURITY STATE BANK, BROKEN BOW, NEBRASKA

The Board of Directors of the Federal Deposit Insurance Corporation today approved paying off insured depositors in the Security State Bank, Broken Bow, Nebraska. The bank was closed on Thursday, December 5, 1985, by James C. Barbee, Nebraska Director of Banking and Finance, and the FDIC was named receiver.

Mr. Barbee said: "The bank's deterioration occurred as a result of management's liberal lending policies and collection practices, which were compounded by a depressed local farm economy."

Deposits in Security State Bank amounted to about \$6.9 million in 1,300 accounts. The FDIC estimates that all but about \$31,000 of the deposits, in 11 accounts, are within the federal insurance limit of \$100,000, or are otherwise secured. Owners of such uninsured deposits will share proportionately with the FDIC in the proceeds realized from liquidation of the bank's assets.

The FDIC Board of Directors determined that a payoff of insured depositors was required because no bids were received for the failed bank.

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