



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC ANNOUNCES DEPOSIT ASSUMPTION OF CITIZENS BANK  
OF MONROE COUNTY, TELlico PLAINS, TENNESSEE

The Board of Directors of the Federal Deposit Insurance Corporation today announced that the deposit liabilities of Citizens bank of Monroe County, Tellico Plains, Tennessee, have been assumed by Bank of Oak Ridge, Oak Ridge, Tennessee. The failed bank's four offices will reopen on Monday April 30, 1984, as branches of Bank of Oak Ridge and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Citizens Bank of Monroe County was closed on April 27, 1984, by William C. Adams, Tennessee Commissioner of Financial Institutions, and the FDIC was named receiver. Mr. Adams said: "This Butcher-related bank has suffered heavy loan losses which destroyed the capital of the bank, and efforts to restore capital have been unsuccessful."

In addition to assuming about \$20.8 million in 5,800 deposit accounts and other liabilities, Bank of Oak Ridge has agreed to pay the FDIC a purchase premium of \$751,500. The assuming bank will purchase the failed bank's installment loans and certain other assets. To facilitate the transaction, the FDIC will advance cash amounting to \$10.2 million to the assuming bank and will retain assets of the failed bank with a book value of approximately \$10.7 million.

The FDIC approved the deposit assumption under its authority to do so whenever it determines that such a transaction will reduce the potential loss to the Corporation. The Board of Directors made such a finding in this case because of the premium

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paid by Bank of Oak Ridge. 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 the shareholders of the closed bank.

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