



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC ANNOUNCES DEPOSIT ASSUMPTION OF WESTERN NATIONAL BANK OF CASPER, CASPER, WYOMING

The Board of Directors of the Federal Deposit Insurance Corporation today announced that the deposit liabilities of Western National Bank of Casper, Casper, Wyoming, have been assumed by Wyoming National Bank of West Casper, a newly-formed subsidiary of Affiliated Bank Corporation, Casper, Wyoming. The failed bank's sole office will reopen on Monday, May 7, 1984, as Wyoming National Bank of West Casper and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Western National Bank was closed on May 4, 1984, by Acting Comptroller of the Currency H. Joe Selby and the FDIC was named receiver. Mr. Selby said: "Over the past year the bank experienced substantial deterioration in the quality of its loan portfolio. Western National was unable to remedy its problems and losses finally exhausted the bank's capital funds, resulting in its insolvency."

In addition to assuming about \$22 million in 5,400 deposit accounts and other liabilities, Wyoming National Bank has agreed to pay the FDIC a purchase premium of \$755,000. 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 \$11.4 million to the assuming bank and will retain assets of the failed bank with a book value of approximately \$14.3 million.

The FDIC approved the deposit transfer 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

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of the premium paid by Wyoming National Bank. 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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