



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

October 2, 2009

Media Contact:  
David Barr (202) 898-6992  
Cell: (703) 622-4790  
Email: [dbarr@fdic.gov](mailto:dbarr@fdic.gov)

---

## **Legacy Bank, Wiley, Colorado, Assumes All of the Deposits of Southern Colorado National Bank, Pueblo, Colorado**

**FOR IMMEDIATE RELEASE**

[En Español](#)

Southern Colorado National Bank, Pueblo, Colorado, was closed today by the Office of the Comptroller of the Currency, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Legacy Bank, Wiley, Colorado, to assume all of the deposits of Southern Colorado National Bank.

The two branches of Southern Colorado National Bank will reopen on Saturday as branches of Legacy Bank. Depositors of Southern Colorado National Bank will automatically become depositors of Legacy Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branch until they receive notice from Legacy Bank that it has completed systems changes to allow other Legacy branches to process their accounts as well.

This evening and over the weekend, depositors of Southern Colorado National Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of September 4, 2009, Southern Colorado National Bank had total assets of \$39.5 million and total deposits of approximately \$31.9 million. Legacy Bank will pay the FDIC a premium of one percent to assume all of the deposits of Southern Colorado National



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-181-2009

Bank. In addition to assuming all of the deposits of the Southern Colorado National Bank, Legacy Bank agreed to purchase essentially all of the assets.

The FDIC and Legacy Bank entered into a loss-share transaction on approximately \$25.5 million of Southern Colorado National Bank's assets. Legacy Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-866-782-1402. The phone number will be operational this evening until 9:00 p.m., Mountain Daylight Time (MDT); on Saturday from 9:00 a.m. to 6:00 p.m., MDT; on Sunday from noon to 6:00 p.m., MDT; and thereafter from 8:00 a.m. to 8:00 p.m., MDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/scnb-co.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$6.6 million. Legacy Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Southern Colorado National Bank is the 98th FDIC-insured institution to fail in the nation this year, and the third in Colorado. The last FDIC-insured institution closed in the state was New Frontier Bank, Greeley, on April 10, 2009.

# # #