



NEWS RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
FIRST SECURITY BANK OF ANACONDA, ANACONDA, MONTANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of First Security Bank of Anaconda, Anaconda, Montana, by Bank of Montana Anaconda, Anaconda, Montana, a newly chartered subsidiary of Bank of Montana System, Great Falls, Montana.

The failed bank's sole office will reopen on Tuesday, March 17, 1992, as a branch of Bank of Montana Anaconda, and its depositors automatically will become depositors of the assuming bank.

First Security Bank, with total assets of \$30.3 million, was closed on Monday, March 16, 1992, by Donald W. Hutchinson, Montana Commissioner of Financial Institutions, and the FDIC was named receiver.

Bank of Montana Anaconda will assume about \$30.2 million in about 4,700 deposit accounts. It will purchase \$15.6 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$14.7 million to the assuming bank and will retain assets of the failed bank with a book value of about \$14.7 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 FDIC notes that its claim on recoveries from the failed bank's assets will have priority over the claims of nondepositor creditors and shareholders of the failed bank.

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