



# NEWS RELEASE

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## FDIC APPROVES ASSUMPTION OF DEPOSITS OF PLACER BANK OF COMMERCE, ROSEVILLE, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of Placer Bank of Commerce, Roseville, California, by American River Bank, Sacramento, California.

The failed bank's sole office will reopen on Monday, March 30, 1992, as a branch of American River Bank, and its depositors automatically will become depositors of the assuming bank.

Placer Bank of Commerce, with total assets of \$31.9 million, was closed on Friday, March 27, 1992, by James E. Gilleran, California Bank Commissioner, and the FDIC was named receiver.

American River Bank will assume about \$30.3 million in about 2,300 deposit accounts. It will pay a premium of \$225,000 for the right to receive the failed bank's deposits and will purchase \$7.4 million of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$22.6 million to the assuming bank and will retain assets of the failed bank with a book value of about \$24.5 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 sale of the failed bank's assets will have priority over non-depositor creditors of the failed bank.

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