



NEWS RELEASE

FOR IMMEDIATE RELEASE
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FDIC APPROVES ASSUMPTION OF DEPOSITS OF THE CITIZENS BANK OF PAGOSA SPRINGS, PAGOSA SPRINGS, COLORADO

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits of The Citizens Bank of Pagosa Springs, Pagosa Springs, Colorado, by Citizens Bank of Pagosa Springs, Pagosa Springs, Colorado, a newly chartered bank subsidiary of Southern Colorado Bank Holding Company, Denver, Colorado.

The failed bank's sole office will reopen on Monday, October 28, 1991, as Citizens Bank of Pagosa Springs, and its depositors automatically will become depositors of the assuming bank.

The Citizens Bank, with total assets of \$18.0 million, was closed on Friday, October 25, 1991, by Barbara M. A. Walker, Colorado Banking Commissioner, and the FDIC was named receiver.

Citizens Bank of Pagosa Springs will assume about \$17.0 million in 2,600 deposit accounts and will purchase approximately \$16.2 million of the failed bank's assets at a discount of \$1,578,000.

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 transaction will result in a lower cost to the FDIC than if the assets were held and liquidated in receivership. Additionally, because the assets and deposits will be administered by Citizens Bank of Pagosa Springs, the failed bank's customers will have the benefit of continuous uninterrupted service.

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