



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC IS NAMED MANAGING AGENT FOR MIDWEST FEDERAL FS&LA, MINNEAPOLIS, MINNESOTA

The Federal Deposit Insurance Corporation today was named managing agent for Midwest Federal FS&LA, Minneapolis, Minnesota, bringing to eleven the number of insolvent thrift institutions to date brought into the joint regulatory oversight program announced on February 6, 1989, by President George Bush.

Midwest Federal FS&LA, with \$3.4 billion in assets and \$2.3 billion in 336,389 deposit accounts, will continue to operate normally while federal regulators determine the extent of its financial difficulties and formulate a permanent plan for resolving its problems. Basic services to customers will not change and all insured deposits will continue to be protected.

As with the thrifts brought into the joint oversight program previously, the FDIC will seek to minimize operating losses, limit growth and ensure that operations are conducted in a safe and sound manner. In addition, the FDIC and other federal regulators will evaluate alternatives for a cost-effective resolution of Midwest Federal's problems and recommend a proper course of action to be taken when funding becomes available for a permanent solution.

The FDIC, as managing agent for the thrifts in the joint regulatory program, works to conserve assets and preserve banking services to deposit and loan customers until a permanent resolution to the institutions' problems can be developed.

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