



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
WESTERN NATIONAL BANK OF LOUISIANA, KAPLAN, LOUISIANA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of Western National Bank of Louisiana, Kaplan, Louisiana, by Kaplan State Bank, Kaplan, Louisiana.

The failed bank's sole office will reopen on Friday, October 27, 1989, as a branch of Kaplan State Bank, and its depositors automatically will become depositors of the assuming bank.

Western National Bank of Louisiana, with total assets of \$12.5 million, was closed on Thursday, October 26, 1989, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

Kaplan State Bank will assume about \$12.4 million in 2,200 deposit accounts and will purchase approximately \$12.4 million of the failed bank's assets at a discount of \$1,947,000.

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 Kaplan State Bank, the failed bank's customers will have the benefit of continuous uninterrupted service.

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