



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF WESTERN BANK-WESTWOOD, NATIONAL ASSOCIATION, HOUSTON, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposit liabilities of Western Bank-Westwood National Association, Houston, Texas, by Texas Commerce Bank National Association, Houston, Texas.

The failed bank's only office will not reopen. Depositors will be able to transact business beginning on Friday, October 2, 1987, at Texas Commerce Bank-Westwood, 9525 Bissonnet, Houston, Texas. All depositors of the failed bank automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Western Bank-Westwood National Association, with total assets of about \$46.9 million, was closed on Thursday, October 1, 1987, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency for Bank Supervision Policy, and the FDIC was named receiver. The failed bank was an affiliate of Western Bank-North Wilcrest National Association, and Western Bank-Westheimer. These Houston-based affiliates also failed today.

Texas Commerce Bank National Association will assume about \$44.8 million in 1,942 deposit accounts and has agreed to pay the FDIC a purchase premium of \$25,100. It also will purchase assets of the failed bank for \$11.5 million. To facilitate the transaction, the FDIC will advance \$33.7 million to the assuming bank and retain assets of the failed bank with a book value of about \$35.4 million.

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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 Board made such a finding in this case due to the premium paid by Texas Commerce Bank National Association.

The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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