



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-229-87 (12-11-87)

FDIC APPROVES DEPOSIT ASSUMPTION OF LEWIS AND CLARK STATE BANK, LAKE OSWEGO, OREGON

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Lewis and Clark State Bank, Lake Oswego, Oregon, by Key Bank of Oregon, Portland, Oregon.

The failed bank's three offices will reopen on Monday, December 14, 1987, as branches of Key Bank of Oregon and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Lewis and Clark State Bank, with total assets of about \$19.0 million, was closed on Friday, December 11, 1987, by Cecil R. Monroe, Supervisor of the Banking Section of Oregon's Financial Institutions Division, and the FDIC was named receiver.

Key Bank of Oregon will assume about \$19.0 million in 3,300 deposit accounts and will purchase all of the failed bank's assets at a discount of \$2.1 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 transaction will result in a substantially 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 Key Bank of Oregon, the failed bank's customers will have the benefit of continuous, uninterrupted service.

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