



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES DEPOSIT ASSUMPTION OF WESTSIDE NATIONAL BANK, HOUSTON, TEXAS

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and fully secured liabilities of Westside National Bank, Houston, Texas, by Compass Bank, National Association (formerly Wesleyan Bank, National Association), Houston, Texas.

The failed bank's two offices will reopen on Saturday, May 14, 1988, as offices of Compass Bank, National Association, and its depositors automatically will become depositors of the assuming bank, subject to approval by the appropriate court.

Westside National Bank, with total assets of about \$37.3 million, was closed on Friday, May 13, 1988, by Robert J. Herrmann, Senior Deputy Comptroller of the Currency, and the FDIC was named receiver.

Compass Bank, National Association, will assume about \$38.1 million in 3,300 deposit accounts and will purchase approximately \$22.1 million of the failed bank's assets, including \$3.6 million of the bank's small loans at a discount of \$585,000.

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 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 shareholders of the closed bank.

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