



PRESS RELEASE

Federal Deposit Insurance Corporation

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Media Contact:
David Barr (202) 898-6992
Cell: (202) 262-8743

FDIC APPROVES THE ASSUMPTION OF THE INSURED DEPOSITS OF SOUTHERN PACIFIC BANK, TORRANCE, CALIFORNIA

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved the assumption of the insured deposits of Southern Pacific Bank, Torrance, California, by Beal Bank, S.S.B., Plano, Texas.

Southern Pacific, with total assets of \$1.0 billion, was closed today by the California Commissioner of Financial Institutions, and the FDIC was named receiver.

Beal Bank has agreed to assume approximately \$834.0 million of insured deposits of the failed bank. At the time of closure, Southern Pacific had approximately \$30.7 million in deposits in 938 accounts that exceeded the federal deposit insurance limit.

The failed bank's three offices will reopen Monday as branches of Beal Bank. Deposit customers of Southern Pacific will automatically become depositors of the assuming bank. All depositors will continue to have immediate access to their insured funds.

Customers with more than \$100,000 on deposit at the failed bank should contact the FDIC toll-free at 1-866-308-4470. The toll-free number will be operational today until 9:00 p.m. Pacific Time, and from 8:00 a.m. to 8:00 p.m. on Saturday and Sunday. Monday through Friday, customers can reach the FDIC from 8:00 a.m. to 6:00 p.m., Pacific Time.

Beal Bank has agreed to pay the FDIC a premium of \$500,000 to assume the insured deposits and purchased approximately \$201.5 million of the failed bank's assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-11-2003

The FDIC estimates the cost of this transaction to the Bank Insurance Fund will be \$134.5 million. Southern Pacific is the first failure of an FDIC-insured institution this year, and the first in California since Monument National Bank, Ridgecrest, was closed on June 2, 2000.