



PRESS RELEASE

Federal Deposit Insurance Corporation

March 31, 1995

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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF LOS ANGELES THRIFT AND LOAN COMPANY, LOS ANGELES, CALIFORNIA

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of insured deposits of Los Angeles Thrift and Loan Company, Los Angeles, California, by California Federal Bank, FSB, Los Angeles, California. Los Angeles Thrift and Loan, with total assets of \$24.9 million, was closed by Gregory S. Mendoza, State Commissioner of Corporations, on Friday, March 31, 1995, and the FDIC was named receiver.

The failed bank's sole office will not reopen, but customers can access their accounts at California Federal's Mount Vernon office at 270 N. Vermont Ave., Los Angeles, beginning Monday, April 3. The failed bank's depositors will automatically become depositors of the assuming bank.

California Federal will assume about \$21.9 million in 451 deposit accounts. At the time the bank failed, about \$821,000 in 11 accounts exceeded the federal insurance limit of \$100,000, and will not be assumed by California Federal.

The FDIC Board of Directors also voted to make a prompt advance payment to uninsured depositors equal to 50 percent of uninsured claims following the determination of the uninsured status of each claim. Customers with questions can call an FDIC staff member at (213) 936-0936 beginning Monday, April 3, to arrange payment.

The assuming bank will pay a premium of \$67,000 for the right to receive the failed bank's deposits and will purchase \$3.9 million in cash and cash deposits at other banks.

The FDIC notes that its claim on recoveries from the sale of the failed bank's assets will have priority over non-depositor creditors of the failed bank.



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.

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