



NEWS RELEASE

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Media Contact:
Andrew Porterfield (202) 898-6593

FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF OLYMPIC NATIONAL BANK, LOS ANGELES, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of Olympic National Bank, Los Angeles, California, by Western Bank, Los Angeles, California.

Of the failed bank's three offices, the Santa Monica and Westlake Village branches will reopen on Monday, April 5, 1993. The main office will not reopen, but customers can get access to their accounts at any nearby Western Bank office. The failed bank's depositors automatically will become depositors of the assuming bank.

Olympic National, with total assets of \$83.3 million, was closed on Friday, April 2, 1993, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Western Bank will assume about \$76.1 million in about 5,100 deposit accounts. At the time the bank closed, approximately \$5.7 million in 136 accounts exceeded the federal insurance limit of \$100,000 and will not be assumed by Western Bank.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, which will equal 63 percent of the uninsured claims. Arrangements for picking up advance payment checks can be made at the failed bank's main office beginning Monday, April 5, 1993.

Western Bank will pay a premium of \$15,000 for ~~the~~ right to receive the

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failed bank's deposits. It will purchase \$22.1 million of the failed bank's assets and has an option to purchase other loans. To facilitate the transaction, the FDIC will advance about \$52.2 million to the assuming bank and will retain assets of the failed bank with a book value of about \$65.1 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. Non-depositor creditors and uninsured depositors will share proportionately with the FDIC in the proceeds realized from liquidation of the failed bank's assets.

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