



# NEWS RELEASE

FOR IMMEDIATE RELEASE  
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FDIC APPROVES ASSUMPTION OF INSURED DEPOSITS OF  
FIRST WESTERN BANK, N.A., SAN DIEGO, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the insured deposits of First Western Bank, N.A., San Diego, California, by Peninsula Bank of San Diego, San Diego, California.

The failed bank's sole office will not reopen, but depositors will have access to their accounts at Peninsula Bank's Pacific Beach office at 1606 Grand Avenue, San Diego, beginning on Friday, April 16, 1993. Contents of safe deposit boxes will be available beginning on Friday at the failed bank's office, and on Monday at Peninsula Bank's La Jolla Office on 833 Pearl Street. The failed bank's depositors automatically will become depositors of the assuming bank.

First Western, with total assets of \$14.2 million, was closed on Thursday, April 15, 1993, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Peninsula Bank will assume about \$13.0 million in about 1,400 deposit accounts. At the time the bank closed, about \$355,000 in 21 accounts exceeded the federal insurance limit of \$100,000 and will not be assumed by Peninsula Bank.

The Board of Directors also voted to make a prompt advance payment to unsecured creditors, including uninsured depositors, equal to 65 percent of the uninsured claims. Arrangements can be made for picking up advance payment checks at the failed bank's office beginning Friday, April 16.

The assuming bank will pay a premium of \$5,000 for the right to receive

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the failed bank's deposits and will purchase \$949,000 of the failed bank's assets. To facilitate the transaction, the FDIC will advance about \$12.1 million to the assuming bank and will retain assets of the failed bank with a book value of about \$13.5 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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