



NEWS RELEASE

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FDIC TO PAY OFF INSURED DEPOSITORS IN CITY THRIFT AND LOAN ASSOCIATION, LOS ANGELES, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved paying off insured depositors of City Thrift and Loan Association, Los Angeles, California. The thrift, with total assets of \$40.3 million, was closed on July 9, 1993, by Brian Thompson, Acting Commissioner of the California Department of Corporations, and the FDIC was named receiver.

The Board of Directors determined that a payoff of insured deposits was required because no bid received for the failed thrift met the FDIC's cost test.

Deposits in about 817 accounts totaled about \$37.7 million, including about \$200,000 in 47 accounts that exceeded the federal insurance limit of \$100,000. The Board of Directors also voted to make a prompt advance payment to the uninsured depositors, equal to 70 percent of their uninsured claims.

Checks will be mailed to each customer within a few days.

If actual collections from the sale of the failed thrift's assets exceed this estimate, uninsured depositors ultimately will receive additional payments on their claims. The FDIC notes that its claim on recoveries from the sale of the failed thrift's assets will have priority over non-depositor creditors of the failed thrift.

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