



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC APPROVES ASSUMPTION OF DEPOSITS OF
THE WILSHIRE BANK, NATIONAL ASSOCIATION, LOS ANGELES, CALIFORNIA

The Board of Directors of the Federal Deposit Insurance Corporation has approved the assumption of the deposits and secured liabilities of The Wilshire Bank, National Association, Los Angeles, California, by Mid City Bank, National Association, Los Angeles, California. The failed bank's sole office will reopen on Friday, June 1, 1990, as a branch of Mid City, and its depositors automatically will become depositors of the assuming bank.

The Wilshire Bank, with total assets of about \$25.6 million, was closed on Thursday, May 31, 1990, by the Office of the Comptroller of the Currency, and the FDIC was named receiver.

Mid City will assume about \$23.8 million in 1,200 deposit accounts and will pay the FDIC a purchase premium of \$25,000. It also will purchase approximately \$23.3 million of the failed bank's assets, including \$2.7 million of the bank's small loans.

To facilitate the transaction the FDIC will advance \$1.1 million to the assuming bank and will retain assets of the failed bank with a book value of \$2.3 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.

The FDIC will recover a portion of its outlay through the liquidation of assets not transferred to the assuming bank. In this respect, the FDIC notes that its claim will have priority over the claims of nondepositor creditors and shareholders of the closed bank.

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