

Smith Bank Seized, Sold To Crocker

Crocker Bank is the new owner of commercial banking and trust business of The United States National Bank of San Diego today.

The takeover was announced last evening following an emergency call for bids by the Federal Deposit Insurance Corp. as receiver for the \$1.2 billion, 63-office San Diego bank.

The FDIC had been designated as receiver just a few hours before by the U.S. Comptroller of the Currency, who ruled the San Diego institution insolvent.

C. Arnholt Smith, 75, principal stockholder of the San Diego bank and its former chief executive officer, is under federal investigation.

Crocker, the \$7.9 billion Statewide banking institution, will open the U.S. National offices today as branches of Crocker. This will give Crocker a Statewide system of more than 360 branches.

Crocker's bid for U.S. National Bank was approved by the U.S. District judge in San Diego. It was one of three bids for the San Diego institution.

Crocker assumed all demand deposit liabilities, and certain time and savings deposit liabilities except for time and savings deposits held by Westgate-California Corp., C. Arnholt Smith, and certain other affiliated or associated firms and individuals.

The exact amounts of assets transferred and liabilities assumed are subject to later adjustment on reconciliation.

In taking over the San Diego banking operation, Crocker chairman-president Emmett G. Solomon said:

"San Diego county is the only major county in California in which we have not had branches. We have long desired to expand our operations into this burgeoning county and now we have accomplished it."