LIQUIDATIONS

COPY

Superintendent of Banks
State of California

Los Angeles, October 2, 1936

T. H. Bowden, Field Agent
Home Owners’ Loan Corporation
342 San Diego Trust & Savings Building
San Diego, California

Dear Mr. Bowden:

You are correct in your statement that the liquidation of California Savings & Commercial Bank, and the Bank of East San Diego, have been wound up. The final dividend in California Savings & Commercial Bank was paid a few months ago. At this time we are obtaining court approval of a dividend to be distributed to the depositors of Bank of East San Diego which will be the last dividend realized out of the assets of the bank. There will be another dividend to these depositors payable out of the money collected from stockholders, but all assets have been sold and for all practical purposes it may be said that the liquidation is at an end.

Yours very truly,

FRANK W. RICHARDSON
Superintendent of Banks
By John McPhail
Chief of Los Angeles Office.

Agent’s Note:

California Savings and Commercial Bank of San Diego suspended payment on July 23, 1930 upon discovery of defalcation by its president who was later tried and sent to prison. At the time of closing, the bank had deposits aggregating $1,100,000. Depositors recovered 55% of this amount. The cause of the failure was said to be mis-management, defalcation and excessive overhead.

The Bank of East San Diego suspended payment on March 15, 1933. It had deposits of some $220,000 of which the depositors recovered about 40 per cent. The cause of the failure was said to be frozen assets, bond depreciation and impaired capital.