



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC GRANTS FINANCIAL ASSISTANCE IN ACQUISITION OF OREGON
MUTUAL SAVINGS BANK BY MOORE FINANCIAL GROUP, INC.

The Board of Directors of the Federal Deposit Insurance Corporation announced today that it has approved the granting of financial assistance to facilitate the acquisition of Oregon Mutual Savings Bank, Portland, Oregon. At the close of business today, Oregon Mutual becomes a wholly-owned commercial bank subsidiary of Moore Financial Group, Inc., Boise, Idaho, under the name Oregon First Bank. All deposit and loan customers of Oregon Mutual will continue as customers of Oregon First.

Moore Financial's acquisition of Oregon Mutual was made possible by recently-enacted state legislation that allowed Oregon Mutual to convert to a stock form, state-chartered bank and be acquired by a bank holding company in a contiguous state. Moore Financial was one of several banking organizations invited to submit proposals for the acquisition of Oregon Mutual.

Prior to the acquisition, Oregon Mutual had assets amounting to \$260 million. Moore Financial, with assets totalling \$2.4 billion, is the parent organization of The Idaho First National Bank, Boise.

FDIC assistance consists of a cash payment of \$11,850,000. The assistance was granted pursuant to Section 13(c)(2) of the Federal Deposit Insurance Act, which authorizes the FDIC to provide financial assistance to facilitate the acquisition of an insured bank in danger of closing. This payment contrasts with the estimated \$30 million cost of a deposit payout had Oregon Mutual been permitted to fail.

The assistance agreement between FDIC and Moore Financial provides that net worth certificates amounting to \$1.5 million issued to the FDIC by Oregon Mutual on July 18, 1983, be prepaid. The agreement also provides that Oregon
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First is permitted to continue paying the 1/4-percent thrift institution differential on existing savings accounts and time deposits. Additions to existing savings accounts may be paid the differential, but any renewal of a time deposit must be at the commercial bank interest rate. Authority to pay the thrift differential will expire January 1, 1984, or sooner if the differential is eliminated by the Depository Institutions Deregulation Committee before that date.

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