



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
November 7, 2008

Media Contact:
David Barr (202) 898-6992
Cell: 703-622-4790
e-mail: dbarr@fdic.gov

Pacific Western Bank Acquires All the Deposits of Security Pacific Bank, Los Angeles, California

Security Pacific Bank, Los Angeles, California, was closed today by the Commissioner of the California Department of Financial Institutions, and the Federal Deposit Insurance Corporation (FDIC) was named receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Pacific Western Bank, Los Angeles, California, to assume all of the deposits of Security Pacific.

The four branches of Security Pacific will reopen on Monday as branches of Pacific Western. Depositors of the failed bank will automatically become depositors of Pacific Western. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers of both banks should continue to use their existing branches until Pacific Western can fully integrate the deposit records of Security Pacific.

Over the weekend, depositors of Security Pacific can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of October 17, 2008, Security Pacific had total assets of \$561.1 million and total deposits of \$450.1 million. Pacific Western agreed to assume all the deposits for a two percent premium. In addition to assuming all of the failed bank's deposits, Pacific Western will purchase approximately \$51.8 million of assets. The FDIC will retain the remaining assets for later disposition.

Customers who have questions about today's transaction can call the FDIC toll free at 1-866-934-8944. This phone number will be operational this evening until 9 p.m. pacific; on Saturday from 9 a.m. to 5 p.m. pacific; and on Sunday noon until 5 p.m. pacific and thereafter from 8 a.m. to 8 p.m. pacific. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/securitypacific.html>.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-114-2008

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$210 million. Pacific Western's acquisition of all deposits was the "least costly" resolution for the FDIC's Deposit Insurance Fund compared to alternatives. Security Pacific is the nineteenth bank to fail in the nation this year, and the third in California. The last bank to be closed in the state was First Heritage Bank, National Association, Newport Beach, on July 25, 2008.