



PRESS RELEASE

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

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First-Citizens Bank and Trust Company, Raleigh, North Carolina, Assumes All of the Deposits of Temecula Valley Bank, Temecula, California

Temecula Valley Bank, Temecula, California, was closed today by the California Department of Financial Institutions, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with First-Citizens Bank and Trust Company, Raleigh, North Carolina, to assume all of the deposits of Temecula Valley Bank, excluding those from brokers.

Temecula Valley Bank's eleven offices will reopen on Monday as branches of First-Citizens Bank and Trust Company. Depositors of Temecula Valley Bank will automatically become depositors of First-Citizens Bank and Trust Company. 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 should continue to use their existing branches until First-Citizens Bank and Trust Company can fully integrate the deposit records of Temecula Valley Bank.

Over the weekend, depositors of Temecula Valley Bank 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 May 31, 2009, Temecula Valley Bank had total assets of \$1.5 billion and total deposits of approximately \$1.3 billion. In addition to assuming all of the deposits of the



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-126-2009

failed bank, First-Citizens Bank and Trust Company agreed to purchase essentially all of the assets.

First-Citizens Bank and Trust Company will purchase all deposits, except about \$304 million in brokered deposits, held by Temecula Valley Bank. The FDIC will pay the brokers directly for the amount of their funds. Customers who placed money with brokers should contact them directly for more information about the status of their deposits.

The FDIC and First-Citizens Bank and Trust Company entered into a loss-share transaction on approximately \$1.3 billion of Temecula Valley Bank's assets. First-Citizens Bank and Trust Company will share in the losses on the asset pools covered under the loss-share agreement. The loss-sharing arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-930-5170. The phone number will be operational this evening until 9:00 p.m., Pacific Daylight Time (PDT); on Friday and Saturday from 9:00 a.m. to 6:00 p.m., PDT; on Sunday from noon to 6:00 p.m., PDT; and thereafter from 8:00 a.m. to 8:00 p.m., PDT. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/temecula.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$391 million. First-Citizens Bank and Trust Company's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Temecula Valley Bank is the 57th FDIC-insured institution to fail in the nation this year, and the eighth in California. The last FDIC-insured institution to be closed in the state was Vineyard Bank, National Association, Rancho Cucamonga, also today.

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