



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
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Citizens Bank, Corvallis, Oregon, Assumes All of the Deposits of Silver Falls Bank, Silverton, Oregon

Silver Falls Bank, Silverton, Oregon, was closed today by the Oregon Department of Consumer and Business Services, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Citizens Bank, Corvallis, Oregon, to assume all of the deposits of Silver Falls Bank.

The three branches of Silver Falls Bank will reopen on Monday as branches of Citizens Bank. Depositors of Silver Falls Bank will automatically become depositors of Citizens Bank. 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 Citizens Bank can fully integrate the deposit records of Silver Falls Bank.

Over the weekend, depositors of Silver Falls 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 February 9, 2009, Silver Falls Bank had total assets of approximately \$131.4 million and total deposits of \$116.3 million. Citizens Bank did not pay a premium to acquire the deposits of Silver Falls Bank.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-760-3639. The phone number will be operational this evening until 9:00 p.m., PST; on Saturday from 9:00 p.m. to 6:00 p.m., PST; on Sunday from Noon to 6:00 p.m., PST; and thereafter from 8:00 a.m. to 8:00 p.m., PST. Customers who would like more information about today's transaction can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/silverfalls.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-24-2009

In addition to acquiring all of the failed banks deposits, including those from brokers, Citizens Bank agreed to purchase approximately \$13 million in assets comprised of cash, cash equivalents, securities, overdraft loans, and deposit secured loans. The FDIC will retain any remaining assets for later disposition.

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$50 million. The Citizens Bank acquisition of all the deposits of Silver Falls Bank was the "least costly" resolution for the FDIC's Deposit Insurance Fund compared to alternatives. Silver Falls Bank is the fourteenth bank to fail in the nation this year. The last bank to fail in Oregon was Pinnacle Bank, Beaverton, on February 13, 2009.