



# PRESS RELEASE

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

FOR IMMEDIATE RELEASE  
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## **Washington Trust Bank, Spokane, Washington, Acquires All of the Deposits of Pinnacle Bank, Beaverton, Oregon**

Pinnacle Bank, Beaverton, Oregon, was closed today by the Oregon Division of Finance and Corporate Securities, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Washington Trust Bank, Spokane, Washington, to assume all of the deposits of Pinnacle Bank.

Due to the observance of Presidents' Day on Monday, Pinnacle Bank's sole office will reopen as a branch of Washington Trust Bank on Tuesday. Depositors of Pinnacle Bank will automatically become depositors of Washington Trust 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 Washington Trust Bank can fully integrate the deposit records of Pinnacle Bank.

Over the weekend, depositors of Pinnacle 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 December 31, 2008, Pinnacle Bank had total assets of approximately \$73 million and total deposits of \$64 million. In addition to assuming all of the deposits of the failed bank, including those from brokers, Washington Trust Bank agreed to purchase approximately \$72 million in assets at a discount of \$7.6 million. The FDIC will retain the remaining assets for later disposition.

The FDIC and Washington Trust Bank entered into a loss-share transaction. Washington Trust Bank will share in the losses on approximately \$66 million in assets covered under the agreement. The loss-sharing arrangement is projected to maximize



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](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://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-23-2009

returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers as they will maintain a banking relationship.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-930-1848. The phone number will be operational this evening until 9:00 p.m., PST; on Saturday from 9:00 a.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. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/pinnacle.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund will be \$12.1 million. Washington Trust Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's Deposit Insurance Fund compared to alternatives. Pinnacle Bank is the thirteenth FDIC-insured institution to fail in the nation this year, and the first in Oregon since Far West, Federal Savings Bank, Portland, was closed on May 23, 1991.