



# PRESS RELEASE

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

**FOR IMMEDIATE RELEASE**  
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## **Whidbey Island Bank, Coupeville, Washington, Assumes All of the Deposits of North County Bank, Arlington, Washington**

North County Bank, Arlington, Washington, was closed today by the Washington 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 Whidbey Island Bank, Coupeville, Washington, to assume all of the deposits of North County Bank.

The four branches of North County Bank will reopen on Monday as branches of Whidbey Island Bank. Depositors of North County Bank will automatically become depositors of Whidbey Island Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage. Customers of North County Bank should continue to use their existing branch until they receive notice from Whidbey Island Bank that it has completed systems changes to allow other Whidbey Island Bank branches to process their accounts as well.

This evening and over the weekend, depositors of North County 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 June 30, 2010, North County Bank had approximately \$288.8 million in total assets and \$276.1 million in total deposits. Whidbey Island Bank will pay the FDIC a premium of 2.0 percent to assume all of the deposits of North County Bank. In addition to assuming all of the deposits of the failed bank, Whidbey Island Bank agreed to purchase essentially all of the assets.



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-215-2010**

The FDIC and Whidbey Island Bank entered into a loss-share transaction on \$221.9 million of North County Bank's assets. Whidbey Island Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:

<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-508-8289. The phone number will be operational this evening until 9:00 p.m., Pacific Daylight Time (PDT); on 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 also can visit the FDIC's Web site at

<http://www.fdic.gov/bank/individual/failed/northcounty.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$72.8 million. Compared to other alternatives, Whidbey Island Bank's acquisition was the least costly resolution for the FDIC's DIF. North County Bank is the 127th FDIC-insured institution to fail in the nation this year, and the ninth in Washington. The last FDIC-insured institution closed in the state was The Cowlitz Bank, Longview, on July 30, 2010.

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