



PRESS RELEASE

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

FOR IMMEDIATE RELEASE
May 7, 2010

Media Contact:
LaJuan Williams-Young
(202) 898-3876

Lwilliams-young@fdic.gov

City National Bank, Los Angeles, California, Assumes All of the Deposits of 1st Pacific Bank of California, San Diego, California

1st Pacific Bank of California, San Diego, 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 City National Bank, Los Angeles, California, to assume all of the deposits of 1st Pacific Bank of California.

The six branches of 1st Pacific Bank of California will reopen on Monday as branches of City National Bank. Depositors of 1st Pacific Bank of California will automatically become depositors of City National 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 should continue to use their existing branch until they receive notice from City National Bank that it has completed systems changes to allow other City National Bank branches to process their accounts as well.

This evening and over the weekend, depositors of 1st Pacific Bank of California 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 March 31, 2010, 1st Pacific Bank of California had approximately \$335.8 million in total assets and \$291.2 million in total deposits. City National Bank will pay the FDIC a premium of 1.62 percent to assume all of the deposits of 1st Pacific Bank of California. In addition to assuming all of the deposits of the failed bank, City National Bank agreed to purchase essentially all of the assets.

The FDIC and City National Bank entered into a loss-share transaction on \$275.7 million of 1st Pacific Bank of California's assets. City National Bank will share in 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-109-2010

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 1-866-674-8944. 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/1stpacific.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$87.7 million. City National Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. 1st Pacific Bank of California is the 68th FDIC-insured institution to fail in the nation this year, and the fifth in California. The last FDIC-insured institution closed in the state was Innovative Bank, Oakland, on April 16, 2010.
