

Signs of Recovery

Pacific Continental Recognized Among 100 Best Companies To Work For

In March 2010, *Oregon Business* magazine once again recognized Pacific Continental Bank as one of the 100 Best Companies to Work For in Oregon. Statewide, nearly 20,000 employees from 303 companies participated in the publication's annual survey. Rated as the highest-ranking financial institution in the large-company category, Pacific Continental's 18th place ranking - an improvement over last year's 21st place ranking - marks the 10th consecutive year *Oregon Business* has recognized Pacific Continental for its excellence in workplace practices. Recipients of the 100 Best Companies recognition were measured in 50 workplace qualities under the following categories: benefits and compensation, work environment, decision-making and trust, performance management, and career development and learning.



Pacific Continental is Here for You



Our conversations with clients and prospects have recently taken on a new twist: cautious optimism. Frankly, it has been awhile since business owners have discussed thoughts of expansion

and growth. Although hedged with words of caution, this growing optimism is clearly a welcome sign. Maybe you are beginning to explore similar thoughts; if so, now may be the time to take advantage of your Pacific Continental Bank relationship by getting together with your banker.

We realize your balance sheet and income statement are not in the same shape they may have been a few years ago. You may have heard that some credit underwriting standards have changed as banking regulations have strengthened. But neither of these facts should deter you from coming in and having a conversation. Remember that Pacific Continental is primarily a business bank. We understand the challenges business owners face in today's economy, so you can count on your Pacific Continental banker to be a resource when exploring current or future plans.

As a Pacific Continental Bank client, I hope you have taken advantage of recent offerings and will continue to look for future resource opportunities. Examples include the recent nonprofit economic forum, presentations of our very popular cash flow seminar, and the continuing series of white paper reports on topics such as "The Power of Social Media for Nonprofit Organizations" and "The People Part of the Business Equation" (both of which are located on the publications page of our website at therightbank.com). You can also look forward to *Musings with Mitch* as Greater Eugene Market President Mitch Hagstrom explores leadership strategies on his blog.

I hope you consider Pacific Continental Bank as one of your best business resources. Please regard your Pacific Continental banker in the same way

you look to your accountant and attorney for advice and guidance.

In closing, I wish to thank everyone for their business. These have indeed been tough times for everyone, the bank included, but hopefully the signs of recovery will continue to strengthen. As I've recently explained to our employees, "There is a light at the end of the tunnel, and this time I don't think it's another train."

Hal Brown
Chief Executive Officer

Pacific Continental continues to be an active lender. During 2009 Pacific Continental Bank financed more than \$400 million in new or renewed loans. With the bank's strong capital and liquidity position, we have the financial resources and the bankers necessary to meet your lending needs.

Wunderlich Securities Initiates Coverage of PCBK

In March 2010, Wunderlich Securities initiated coverage of Pacific Continental Corporation (Nasdaq: PCBK). This brings the number of covering analysts to five, a significant figure for a company the size of Pacific Continental. In addition to Wunderlich, PCBK is covered by D.A. Davidson & Company, FIG Partners, Howe Barnes Hoefler & Arnett, and Sandler O'Neill & Partners. More information can be found in the investor relations section of our website at therightbank.com.

FDIC Extends Transaction Account Guarantee (TAG) Program Through December 31, 2010

On April 13, 2010, the Federal Deposit Insurance Corporation (FDIC) announced the extension of the Transaction Account Guarantee (TAG) program through December 31, 2010. Under the TAG program, all noninterest-bearing transaction accounts are fully guaranteed for the entire amount in the account. In addition, the FDIC announced that effective July 1, 2010 the maximum interest rate for interest-bearing NOW accounts guaranteed under the TAG program will be .25 percent, reduced from the current .50 percent. Banks participating in the TAG program must pay a special assessment fee to the FDIC. *Pacific Continental participates in the TAG program.*

Please note that the TAG program provides expanded deposit coverage in the form of guarantee beyond the standard FDIC deposit insurance coverage of \$250,000 per depositor through December 31, 2013. Under current FDIC rules, on January 1, 2014, the standard deposit insurance amount will return to \$100,000 per depositor for all account categories except Individual Retirement Accounts and

other certain retirement accounts, which will remain at \$250,000 per depositor.

For additional information about coverage limits and requirements, please visit any of the following sources:

- Online at myFDICinsurance.gov, or call toll-free 1-877-ASK-FDIC
- E-mail us at banking@therightbank.com, or call toll-free 1-877-231-2265

How to Determine if a Bank is "Well-Capitalized"

To determine if a bank is well-capitalized, obtain a copy of their Schedule RC-R – Regulatory Capital. All banks should offer this information upon request, or simply visit the FFIEC website at <https://cdr.ffiec.gov/public>.

When looking at the Schedule RC-R (note sample below), look at lines 31 through 33. A well-capitalized bank will have ratios of at least 5%, 6% and 10% respectively. Pacific Continental Bank's Call Report dated March 31, 2010, shows capital ratios of 12.17%, 13.97% and 15.22% - all well above well-capitalized status. Source: ffiec.gov

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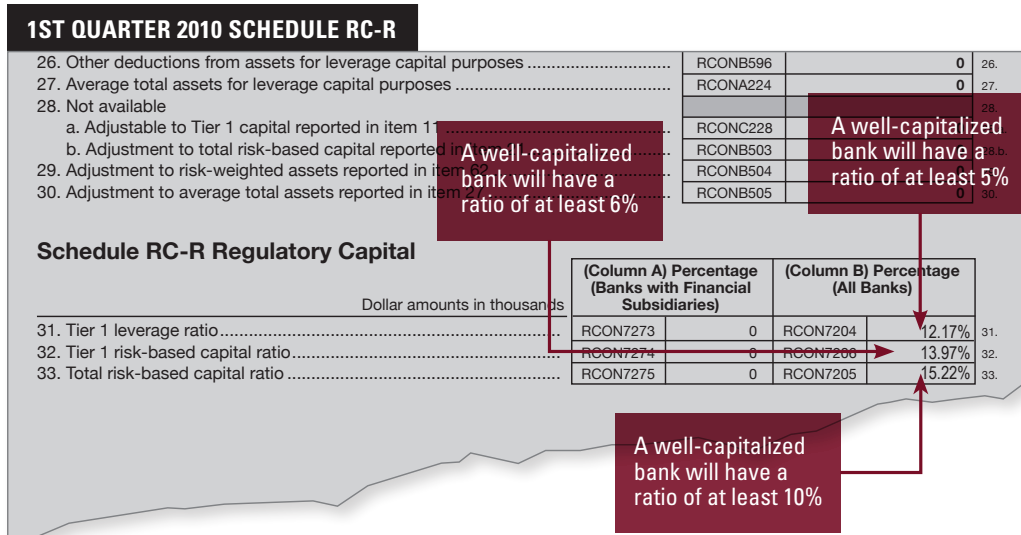
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