



Arizona Federal Credit Union Expands Services to Member-Owners through the Acquisition of Pinnacle Bank

Phoenix, Arizona – June 3, 2019 Today Arizona Federal Credit Union announced its intended acquisition of the operations of Pinnacle Bank of Arizona. The 125,000 member-owners of Arizona Federal will benefit by gaining access to additional mortgage services, small business services, SBA financing options and commercial lending services. The 2,600 clients of Pinnacle Bank will benefit by gaining access to a full suite of consumer financial services, including loans, insurance, credit cards, investment services and more.

“The integration of Pinnacle Bank’s core competencies in the real estate and commercial lending areas, with Arizona Federal’s core competencies in the area of individual and personal finance will create significant long-term value for all our stakeholders,” explained Ronald L. Westad, President and CEO of Arizona Federal. “We’re excited to expand our value proposition to our current members, and we’re equally excited to welcome Pinnacle Bank clients as new members.”

Arizona Federal considered the skills and experience of the Pinnacle Bank employees as a critical component of the acquisition. “No jobs will be lost as a result of the transaction,” Westad said. Arizona Federal intends to hire all Pinnacle Bank employees and maintain all four branch locations.

“Pinnacle Bank employees will join together with Arizona Federal employees, sharing a commitment to deliver financial services and expertise to families and small businesses through the communities we serve,” said Michael J. Thorell, Chairman and CEO of Pinnacle Bank.

The transaction, which is subject to regulatory and shareholder approval, has been unanimously approved by the Boards of Directors of both institutions, and is expected to be completed in the fourth quarter of 2019.

The combined organization will have more than \$1.8 billion in assets, and serve over 127,000 members at 16 locations throughout the Valley of the Sun. Deposits will be federally insured by the National Credit Union Administration.

Arizona Federal was advised by Howard & Howard, PLLC, as legal counsel, and McQueen Financial, as financial advisor. Pinnacle Bank was advised by Hunton Williams, as legal counsel, and Raymond James and Associates as financial advisor.

About Arizona Federal Credit Union

Arizona Federal is a \$1.6 billion not-for-profit financial cooperative providing financial services and expertise to more than 125,000 member/owners. Founded in 1936, the organization takes its mission of financial empowerment and mutual benefit to heart by providing members cutting-edge self-service tools, financial coaches, identity protection services, and annual member payouts when the cooperative does well. Arizona Federal has locations across the Phoenix metropolitan area. Deposits are insured by the National Credit Union Administration.

About Pinnacle Bank

Pinnacle Bank is an Arizona based, business-oriented bank serving small businesses and the community in northeast Phoenix and Scottsdale areas, along with the Camelback corridor. Pinnacle Bank was formed by local business leaders who own and/or manage their own businesses here in the Valley. Several of them are second generation Arizonans, and all of them call Arizona home. The vision of Pinnacle Bank is to be viewed by our clients as the premier provider of financial services, by our business partners as their preferred partner, and by our shareholders as an outstanding investment. Our employees, the sole substance of our success, regard us as the finest institution they could choose to enhance their career.

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