



Monthly Bulletin

Volume 10, Number 10

April 2007

Douglas Kirkpatrick Appointed as Deputy Commissioner

Department of Financial Institutions Commissioner Michael A. Kelley announced the appointment of Douglas Kirkpatrick as Deputy Commissioner for the Department of Financial Institutions, San Diego/Orange County Region effective April 7, 2007.

Mr. Kirkpatrick started his career with the California Department of Corporations in 1974. In 1987 he was appointed Special Administrator for California's industrial loan companies and played a key role in their transition to federal deposit insurance. In 1996, Mr. Kirkpatrick was given the additional responsible as Special Administrator for all California state chartered credit unions.

When the Department of Financial Institutions was created in 1997, Mr. Kirkpatrick joined DFI as an Assistant Deputy Commissioner. He is a graduate of California State University Northridge and a Certified Examinations Manager. Mr. Kirkpatrick is responsible for supervising commercial and industrial banks in the San Diego/Orange County region. He is headquartered in the Department's Los Angeles office.

DFI Encourages Licensees to Work with Subprime Borrowers in Distress

On April 16, 2007, the Department participated in a meeting at the Federal Department Insurance Corporation headquarters on the turmoil in the market for so-called subprime mortgages. The meeting was attended by high-level representatives of regulatory agencies, consumer groups, bankers and other participants in the mortgage industry. Consensus was reached amongst those in attendance that it is in everyone's interest to work toward keeping deserving borrowers in their homes.

The Department of Financial Institutions requests that licensees involved in subprime lending to develop policies so that, wherever possible and consistent with sound lending practices, borrowers in distress are afforded all options that will reduce their risk of foreclosure.

111 Pine Street, Suite 1100, San Francisco, CA 94111-5613
300 South Spring Street, Suite 15513, Los Angeles, CA 90013-1204
1810—13th Street, Sacramento, CA 95814-7118
7575 Metropolitan Drive, Suite 108, San Diego, CA 92108-4421
Consumer Compliance

(415) 263-8500
(213) 897-2085
(916) 322-5966
(619) 682-7227
(800) 622-0620

Procedures to Formally Appeal Examination Findings

In October 1991 Superintendent of Banks James Gilleran sent a letter to bank chief executive officers advising them that if a bank disagreed with the findings of an examination, a procedure to appeal was available. Superintendent Conrad Hewitt continued that process in 1995. Commissioner Michael Kelley plans to continue that process.

To be effective, the appeal process must be consistent and uniform in its application. The procedures that are to be followed to assure consistency and uniformity include:

- All findings of the examination are to be discussed by the Examiner-In-Charge with bank management at exit meetings, and the examiner is to note any material disagreement with the findings. After review by departmental supervisory staff, findings and classifications are communicated to the bank's board of directors through the Report of Examination and accompanying transmittal letter.
- Bankers will be afforded an opportunity to respond to the findings including providing new/additional information or rebuttal (generally in the response to the report of examination).
- Bankers may discuss unresolved differences with the responsible (1) Assistant Deputy; (2) Deputy Commissioner and (3) the Senior Deputy/Chief Examiner.
- If not resolved, bankers may discuss any differences personally with the Commissioner.

DFI and Antequera, Inc. Enter into an Agreement

On April 12, 2007, the Commissioner of Financial Institutions entered into a settlement agreement with Antequera, Inc. ("Antequera"), in which Antequera agreed to pay \$15,000 to the Department, and the Commissioner agreed to take no further action with respect to alleged violations of the Financial Code related to unapproved and unlicensed branch offices.

Commercial Bank Activity

New Bank

1st Capital Bank

5 Harris Court, Building N, City and County of Monterey

(831) 264-4000

(831) 264-4001 (fax)

Officers: Clyde F. Rowden, President and Chief Executive Officer

Jayne C. Fields, Chief Financial Officer

Geoffrey M. Loftus, Chief Credit Officer

Daniel L. Walls, Chief Lending Officer

Capitalization: \$31,576,990.00

Website: <http://www.1stCapitalBank.com>

Opened: 4/16/07

New Bank (Continued)

American Principle Bank
4041 Broad Street, City and County of San Luis Obispo
Correspondent: David R. Booker
P.O. Box 1918
San Luis Obispo, CA 93406
(805) 546-1064
Approved: 4/19/07

California Republic Bank
1400 Newport Center Drive, Newport Beach, Orange County
Correspondent: Russell W. Bushore
Carpenter & Company
Five Park Plaza, Suite 950
Irvine, CA 92614
(949) 261-8888
Filed: 4/2/07

Cathay Interim Bank
777 North Broadway, City and County of Los Angeles
Correspondent: Maureen Young
Bingham McCutchen
Three Embarcadero Center
San Francisco, CA 94111
(415) 393-2788
Opened: 3/30/07
Merged: 3/30/07
(In connection with the merger of United Heritage Bank, New Jersey, with and into Cathay Bank, California)

Commerce Bank of Temecula Valley
25220 Hancock Avenue, Murrieta, Riverside County
Correspondent: James H. Avery
The Avery Company, LLC
P.O. Box 3009
San Luis Obispo, CA 93403
(805) 544-5477
Approved: 4/11/07

Conekta Bank
530 Broadway, Chula Vista, San Diego County
Correspondent: Maryam Hamzeh
Carpenter & Company
Five Park Plaza, Suite 950
Irvine, CA 92614
(949) 261-8888
Filed: 4/3/07

New Bank (Continued)**Folsom Lake Bank**

905 Sutter Street, Folsom, Sacramento County

(916) 985-8700

Officers: Robert J. Flautt, President and Chief Executive Officer

John R. Olson, Chief Financial Officer

Blaine C. Lauhon, Chief Credit Officer

Capitalization: \$15,931,110.00

Website: <http://www.folsomlakebank.com>

Opened: 4/2/07

Pacific Enterprise Bank

17748 Sky Park Circle, Irvine, Orange County

(949) 623-7600

(949) 623-7599 (fax)

Officers: Richard Ganulin, President and COB

Brian Halle, Senior Executive Vice President – Chief Lending Officer

JoAnne Painter, Executive Vice President / Chief Financial Officer

Russ Smith, Executive Vice President / Chief Operating Officer

Capitalization: \$25,000,000.00

Website: <http://www.pacificenterprisebank.com>

Opened: 4/30/07

SoCal Interim Bank

199 South Los Robles Avenue, Pasadena, Los Angeles County

Correspondent: John F. Stuart

Reitner, Stuart & Moore

1319 Marsh Street

San Luis Obispo, CA 93401

(805) 545-8590

Filed: 4/10/07

(In connection with the merger of Professional Business Bank, Pasadena, with and into SoCal Interim Bank, Pasadena)

Stellar Business Bank

100 North Azusa Avenue, Covina, Los Angeles County

(626) 214-1760

(626) 214-1771 (fax)

Officers: Timothy P. Walbridge, President and Chief Executive Officer

Lori Ann Herzig, Executive Vice President and Chief Financial Officer

Melvin O. Redford, Executive Vice President and Chief Credit Officer

Capitalization: \$22,952,717.00

Website: <http://www.stellarbusinessbank.com>

Opened: 4/9/07

Merger

First Coastal Bank, National Association, Manhattan Beach, to merge with and into Citizens Business Bank, Ontario
Filed: 4/12/07

Landmark National Bank, Solana Beach, to merge with and into 1st Pacific Bank of California, La Jolla
Filed: 4/5/07

Professional Business Bank, Pasadena, to merge with and into SoCal Interim Bank, Pasadena
Filed: 4/10/07

United Heritage Bank, Edison, New Jersey, to merge with and into Cathay Bank, Los Angeles, California
Effectuated: 3/30/07

The Vintage Bank, Napa, to merge with and into Umpqua Bank, Roseburg, Oregon
Effectuated: 4/27/07

Acquisition of Control

Bank of Marin Bancorp, to acquire control of Bank of Marin
Filed: 3/21/07
Approved: 4/5/07

Banyon, LLC, to acquire control of First California Bank
Filed: 3/29/07
Withdrawn: 4/26/07

Belvedere SoCal, Belvedere Capital Fund II, L.P., and Belvedere Capital Partners II LLC, to acquire control of Professional Business Bank
Filed: 4/10/07

Pacific City Financial Corporation, to acquire control of Pacific City Bank
Filed: 4/12/07

Richard Wayne Arendsee, to acquire control of California Community Bank
Approved: 4/11/07

Final Order (Financial Code Section 1913)

Innovative Bank
360 14th Street, Oakland, Alameda County
Effectuated: 4/30/07

Premium Finance Company Activity

New Premium Finance Company

Allied Premium Finance Co., Inc.
8530 La Mesa Blvd, Suite 208, La Mesa, San Diego County 91942
Filed: 4/3/07
Approved: 4/16/07

American Financial Plan, Inc.
2501 E. Chapman Ave., Fullerton, Orange County
Opened: 4/24/07

Capital Credit Group CA, Inc.
8530 La Mesa Boulevard, La Mesa, San Diego County
Address changed: on 4/11/07 from 5480 Baltimore Drive, La Mesa, San Diego County
Opened: 4/11/07

Platinum Premium Finance Corporation
2501 E. Chapman Avenue, Fullerton, Orange County
Filed: 4/10/07
Approved: 4/18/07

Premium Financing Services, Inc.
8530 La Mesa Boulevard, La Mesa, San Diego County
Address changed on 4/4/07: from 5480 Baltimore Drive, La Mesa, San Diego County
Opened: 4/10/07

Westport Financial Services, Inc.
2501 E. Chapman Avenue, Fullerton, Orange County
Opened: 4/17/07

Voluntary Surrender of License

Pericles Financial Corporation
Effected: 4/30/07

Spartan Premium Finance Company, Inc.
Effected: 4/19/07

Industrial Bank Activity

Conversion to State Charter

Tustin Community Bank, Tustin, to convert to a state-chartered commercial bank
Expired: 3/19/07

Tustin Community Bank, Tustin, to convert to state-chartered commercial bank
Filed: 4/5/07

Final Order (Financial Code Section 1913)

Fremont Investment & Loan
2727 East Imperial Highway, Brea, Orange County
Effected: 4/13/07

Trust Company Activity**Voluntary Surrender of License**

Western Financial Trust Company
Effected: 12/26/06

Foreign (Other Nation) Bank Activity**New Office**

The Hongkong Shanghai Banking Corporation
39410 Fremont Boulevard, Fremont, Alameda County (Representative Office)
Filed: 4/2/07

Credit Union Activity**Field of Membership**

One credit union received approvals to add two new fields of membership during March 2007.

Variance

One credit union received approval for request for variance to sections of the California Code of Regulations during March 2007.

Merger

First Napa Federal Credit Union, Napa, to merge with and into Redwood Credit Union, Santa Rosa
Filed: 8/10/06
Approved: 9/1/06
Effected: 3/30/07

Golden State Federal Credit Union, Sacramento, to merge with and into Sacramento Credit Union,
Sacramento
Effected: 4/1/07

McColl's Credit Union, Redding, to merge with and into Sierra Central Credit Union, Yuba City
Filed: 4/5/07
Approved: 4/17/07

Merger (Continued)

Napa Schools Federal Credit Union, Napa, to merge with and into Travis Credit Union Vacaville
Effected: 3/27/07

Placer Community Credit Union, Auburn, to merge with and into First U.S. Community Credit Union,
Sacramento
Filed: 3/30/07
Approved: 4/17/07

United Mutual Employees Federal Credit Union, Richmond, to merge with and into First Metropolitan
Credit Union, Concord
Filed: 2/20/07
Approved: 3/14/07

Transmitter of Money Abroad Activity**New Transmitter of Money Abroad**

GPC International, Inc
Withdrawn: 4/23/07

Metro Remittance Center (California), Inc.
Approved: 2/9/07

Acquisition of Control

Ronaldo Freitas, to acquire control of Money Express Financial Corporation
Filed: 2/13/07
Withdrawn: 4/25/07

MICHAEL A. KELLEY
Commissioner of Financial Institutions

Bulletin for Month ended
April 2007, issued pursuant
to Financial Code section 258

