

Executive Officer and Director Compensation Survey

June 30, 2008

This year, 139 out of 287 banks or 48.4% participated, down slightly from the 50.4% rate in 2007. The number of participants in the Under \$50 million category was down from 14 to 11, while the \$50 million to \$99 million asset size group was up from 18 to 23. Other groups were up or down by lesser amounts, or remained the same as last year.

Chief Executive Officer

Since 2005, CEO salaries in all categories showed double-digit increases in all but the top two categories. Salaries were up by 17.1% in the \$250 to \$499 million tier; 15.3% in the \$50 million to \$99 million tier; by 12.8% in the \$100 million to \$249 million group and by 10% in the Under \$50 million category. In the \$500 million to \$999 million asset tier salaries were up 8.8% and by 5.3% in the Over \$1 Billion size group.

Chief Financial Officer

CFO salaries were up by double-digits in all but the \$250 million to \$499 million group over the past three years. Leading was the \$500 to \$999 million asset size tier which was up by 30% followed by the Over \$1 Billion group which was up 25%. The Under \$50 million group was next with a gain of 18.2%. The \$50 to \$99 million asset size tier had a gain of 17.5% and the \$100 million to \$249 million asset size tier was up 15.2%. The \$250 million to \$499 million asset tier trailed with a gain of 9.2%.

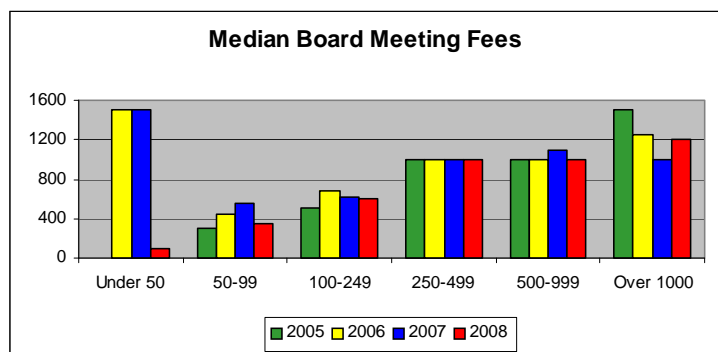
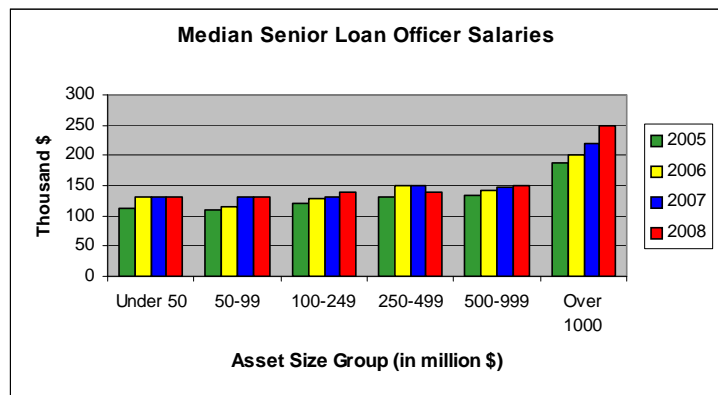
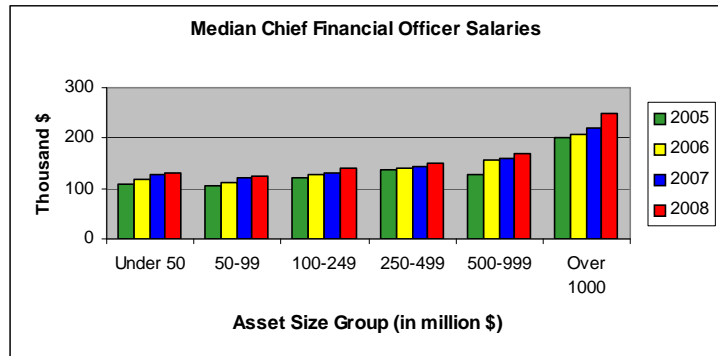
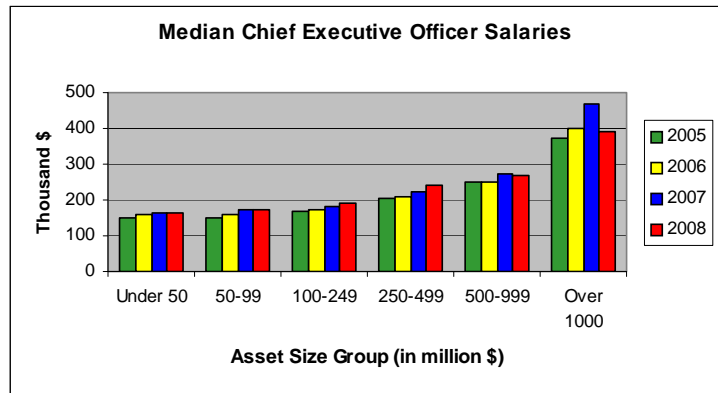
Senior Loan Officer

With a 33.4% gain, the Over \$1 billion asset size group showed the greatest salary increase over the past three years. Next was the \$50 to \$99 million asset tier with a gain of 19.3% followed by the \$100 million to \$249 million group which was up 16.1%. The Under \$50 million group was up 15.3% while the \$500 million to \$999 million group was up 12.1% for the period. The \$250 million to \$499 million asset tier trailed with a gain of 7.6%.

DIRECTORS' INFORMATION

Regular Board Meeting

Among banks that paid fees to board members, median board committee fees were up 20% over the past three years among banks in the \$100 million to \$249 million asset size category. Fees were up 16.7% in the \$50 million to \$99 million group. Board fees in the \$250 to \$499 million and \$500 million to \$999 million asset tiers were flat, while fees in the over \$1 billion size group were down 20.0%



Board Committee Fees

In 2003, the special board meeting and board committee categories were discontinued and new categories were introduced for the audit, compensation, credit and investment committees. In addition, the members' and chairmen's fees were broken out.

Comparisons between committees and assets size groups are presented on the accompanying tables.

REGIONAL DATA

The median salary in Region III (LA/Orange) was first in the CEO and SLO categories and trailed Region II (Bay Area) in the CFO category. Region IV (So. Calif.) was in second place in the CEO category and third place in the CFO and SLO categories. Region II topped the CFO category, was second in the SLO category and third in the CEO category, while Region IV (No. Calif.) came in fourth in all categories.

Possible factors that influence change are increased reliance on non-cash benefits, local and national economic conditions, position turnover, different job duties and changes in the makeup of the asset size group population.

We express our appreciation to the participating banks and hope that this information will prove useful. Participating banks automatically receive upon completion the full fifteen-page survey results that include information about bonuses, stock options and many other officer and director fringe benefits. Each year's survey is [posted on the DFI Web page](#) the following year.

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