



# Monthly Bulletin

Volume 6, Number 8

February, 2003

## Closing of Southern Pacific Bank

On Friday, February 7, 2003, the Commissioner of Financial Institutions took possession of Southern Pacific Bank, Torrance and ordered that it be liquidated. The Commissioner then tendered to the Federal Deposit Insurance Corporation the appointment as receiver of the Bank, and the FDIC accepted the appointment.

The FDIC entered into a purchase and assumption agreement with Beal Bank, S.S.B. a Texas state savings bank, under the terms of which all of the insured deposits of Southern Pacific Bank were assumed and certain assets purchased.

As a result of the purchase and assumption transaction, depositors of Southern Pacific Bank became depositors of Beal Bank, S.S.B. Beal Bank will operate branches at the locations of the former branches of Southern Pacific Bank.

## Recognize and Report Suspected Financial Abuse of Elders

### Training Video for Financial Institutions now Available

In the January 2002 issue of the *Monthly Bulletin*, the Department of Financial Institutions (DFI) announced its support for the efforts of the California Community Partnership for the Prevention of Financial Abuse (CCPPFA) to prevent financial abuse of the elderly with a videotape-based training program to help educate financial institution personnel about detecting and reporting financial abuse of the elderly; and to undertake a consumer awareness outreach campaign titled "Be Wise" to educate senior citizens about protecting themselves against financial abuse.

111 Pine Street, Suite 1100, San Francisco, CA 94111-5613  
300 South Spring Street, Suite 15513, Los Angeles, CA 90013-1204  
1810—13<sup>th</sup> Street, Sacramento, CA 95814  
9609 Waples Street, Suite 100, San Diego, CA 92121  
Consumer Compliance

(415) 263-8500  
(213) 897-2085  
(916) 322-5966  
(858) 642-4242  
(800) 622-0620

DFI, together with the Federal Deposit Insurance Corporation (FDIC) and the Office of Thrift Supervision (OTS) jointly supported CCPFA's initiative and leadership in helping to prevent financial abuse of the elderly and confirmed Community Reinvestment Act (CRA) qualification for financial institutions that contribute to the program.

*Be Wise: Preventing Elder Financial Abuse*, a training video produced by the California Community Partnership for the Prevention of Financial Abuse (CCPPFA) is now available. The 24-minute video is designed to train financial institution employees how to recognize and report suspected financial abuse of elders. It features an introduction by California State Attorney General Bill Lockyer and includes a reference booklet to provide employees of financial institutions with the latest comprehensive information on warning signs of financial abuse and tips on how to effectively respond.

*Be Wise: Preventing Elder Financial Abuse* recently received The Crystal Award of Excellence from The Communicators Award, a consortium of communication professionals.

CCPPFA is a non-profit organization committed to the development of a statewide collaborative effort between private and public sectors to prevent elder financial abuse through education and community awareness.

For more information on CCPPFA and the *Be Wise: Preventing Elder Financial Abuse* training video, visit their Web site at <http://www.bewiseonline.org/index.shtml>. A training video order form is available at [http://www.bewiseonline.org/pdf\\_files/video\\_form.pdf](http://www.bewiseonline.org/pdf_files/video_form.pdf) or you can call CCPPFA at 415-897-9555.

## Credit Union Advisory Committee

The DFI would like to extend its sincere appreciation and thanks to all of the Advisory Committee members who have volunteered their time and resources to serve on the committee for the 2001 to 2003 term. Each of the committee members has made a real commitment to this service and their participation has been invaluable. With the current term coming to a close, it is time to appoint committee members for the term 2003 to 2005.

The Credit Union Advisory Committee consists of seven members who meet at least once each calendar quarter to advise the Commissioner and the Deputy Commissioner on matters relating to credit unions or the credit union business. Advisory Committee members serve two year terms as provided in section 14382 of the California Financial Code unless a member receives a reappointment to continue for an additional term(s). Committee members volunteer their time and bear all costs for service, typically the costs associated with traveling to and from meetings, as the Financial Code prohibits DFI from providing compensation, reimbursement, or other payments in connection with Advisory Committee Service.

Members of the Advisory Committee are appointed by the Secretary of Business, Transportation and Housing. Secretary Contreras-Sweet has requested that the Commissioner provide the names of persons interested in serving on the committee.

If you are interested in serving on the Advisory Committee for the 2003-2005 term, please prepare and submit a cover letter expressing your interest and a statement that summarizes your qualifications for service. Please include in the correspondence your background, areas of expertise, details and challenges you face in your own credit union such as size, region, field of membership, whether your credit union has private or federal insurance, and of most importance what you believe you can contribute to the Advisory Committee.

Please submit your request by March 14, 2003 to Commissioner Donald R. Meyer at the following address:

**Donald R. Meyer, Commissioner**  
Department of Financial Institutions  
Credit Union Division  
111 Pine Street, Suite 1100  
San Francisco, California 94111-5613

## Credit Union Regulations

The proposed amendments to the credit union regulations have been approved by the Office of Administrative Law. The anticipated effective date for the new regulations is March 31, 2003. Please see the Department's Web site for the text of the regulations.

## **New—Schedule U - Report on Fiduciary Activities in California and Related Security Deposited with the State Treasurer of California** *(For use by national banks, federal savings banks, and foreign (other state) banks authorized to engage in trust business in California)*

The Commissioner of Financial Institutions ("Commissioner") has determined that a change in the reporting of information to the Commissioner on the fiduciary activities conducted in California by national banks, federal savings banks, and offices of foreign (other state) banks is appropriate. This change will significantly reduce the amount of information required, while continuing to provide needed information on the trust business in California for which money or securities are on deposit with the State Treasurer of California.

Beginning with the quarter ending March 31, 2003, national banks, federal savings banks, and foreign (other state) banks authorized to conduct trust business in California will no longer be required to file a California Schedule T – Fiduciary and Related Services with the Commissioner. Also beginning with the quarter ending March 31, 2003, national banks, federal savings banks, and foreign (other state) banks authorized to conduct trust business in California, will be required to file Form 506, Schedule U - Report on Fiduciary Activities in California and Related Security Deposited With the State Treasurer of California ("Report"). This two-page Report will be requested by the Commissioner at the end of each calendar quarter. It will be necessary for national banks, federal savings bank, and foreign (other state)

banks to provide this Report if the institution is authorized to conduct trust business in California for which money or securities are on deposit with the State Treasurer of California. Schedule U can be found on the DFI Web page at <http://www.dfi.ca.gov/forms>.

If you have any comments or questions, please contact Charlotte Imoto, Assistant Deputy, at (213) 897-2224, or by e-mail at [cimoto@dfi.ca.gov](mailto:cimoto@dfi.ca.gov), or Sharon Dunlavey, Special Assistant to the Chief Examiner, at (858) 642-4240, or by e-mail at [sdunlavey@dfi.ca.gov](mailto:sdunlavey@dfi.ca.gov).

## Soldiers' and Sailors' Civil Relief Act

The Department would like to direct financial institutions' attention to the Soldiers' and Sailors' Civil Relief Act that requires a lender to lower its interest rate to 6% on loans made to qualified borrowers prior to their entry to military service. The 6% interest rate is to remain in effect throughout the borrower's term of active duty. Any person on active duty in the United States Army, Air Force, Navy, Marine Corps and the Coast Guard; any officer of the Public Health Service on active duty with the armed forces; and any U.S. citizen serving with the armed forces of any allied nation is entitled to relief under the Act. A lender's rights to collect a debt (including from a cosigner or guarantor) and liquidate collateral also are restricted under the Act. Provisions of the Act can be found at 50 U.S.C. Appendix, Sections 501-592, and also are available on the Web (e.g., at:

<http://www.chinfo.navy.mil/navpalib/questions/ssrelief/usc50top.html>

## Commercial Bank Activity

### New Banks

County Commerce Bank

3260 Telegraph Road, Ventura, Ventura County

Phone: (805) 477-7600

Officers: Joseph D. Kreutz, President and Chief Executive Officer

David Brubaker, Senior Vice President and Chief Financial Officer

Richard Favor, Senior Vice President and Senior Credit Officer

Capitalization: \$7,708,330.42

Opened: 2/18/03

Golden State Business Bank

Proposed Location: In the vicinity of 1060 West Foothill Boulevard, Upland, San Bernardino County

Correspondent: Peggy Hansen

517 North Mountain Avenue, Suite 106

Upland, CA 91786

Phone: (909) 912-0106

Filed: 2/6/03

Security First Bank

At or in the vicinity of Blackstone Avenue and Shaw Avenue, Fresno, Fresno County

Withdrawn: 10/5/02

**Conversions to State Charter**

Nara Bank, National Association, Los Angeles, to convert to a state-chartered bank under the name Nara Bank

Withdrawn: 2/26/03

Tracy Federal Bank, F.S.B., Tracy, to convert to a state-chartered bank under the name Community Banks of Tracy

Approved: 2/13/03

Effected: 2/28/03

**Acquisitions of Control**

Community Bankshares, Inc. to acquire control of Community Banks of Tracy, Tracy

Filed: 10/4/02

Approved: 2/28/03

Five Star Bancorp, to acquire control of Five Star Bank, Rocklin

Approved: 2/3/03

Malaga Financial Corporation, to acquire Malaga Bank, S. S. B., Palos Verdes Estates

Filed: 12/23/02

Southwest Community Bancorp, to acquire control of Southwest Community Bank, Encinitas

Filed: 12/27/02

Wakashio Bank, Ltd., to indirectly acquire control of Manufacturers Bank, Los Angeles

Filed: 2/11/03

**Change of Name**

Discovery Valley Bank, to DISCOVERY BANK

Effected: 1/7/03

**Trust Company Activity****Cease and Desist Order**

Arrowhead Trust, Inc., San Bernardino

Issued: 2/10/03

## **Premium Finance Company Activity**

### **New Premium Finance Company**

BCIC Premium Finance Company  
2501 East Chapman Avenue, Suite 100, Fullerton, Orange County  
Approved: 2/14/03

Blackhorse Premium Finance Corp  
2501 East Chapman Avenue, Suite 100, Fullerton, Orange County  
Opened: 2/10/03

Golden State Finance Corp.  
2501 E. Chapman Avenue, Suite 100, Fullerton, Orange County  
Approved: 2/14/03

Great American Premium Finance Corp.  
6046 Cornerstone Court West, Suite 202, San Diego, San Diego County  
Approved: 2/14/03

Millennium Financing of California, Inc.  
22349 La Palma Avenue, Suite D-110, Yorba Linda, Orange County  
Approved: 2/14/03

## **Foreign (Other Nation) Bank Activity**

Wakashio Bank, Ltd.  
555 California Street, Suite 3350, San Francisco, San Francisco County  
777 South Figueroa Street, Los Angeles, Los Angeles County (Wholesale Branches)  
Filed: 2/5/03

### **Discontinuance of Office**

The Asahi Bank, Ltd.  
350 South Grand Avenue, Los Angeles, Los Angeles County (Representative Office)  
Discontinued: 2/14/03

Banca Intesa S.p.A.  
444 South Flower Street, Los Angeles, Los Angeles County (Nondepository Agency)  
Filed: 2/10/03

### **Change of Name**

IntesaBci S.p.A., to Banca Intesa S.p.A.  
Effected: 1/1/03

## **Foreign (Other State) Bank Activity**

### **New Facility**

BankWest of Nevada (Facility – Insured Bank)  
402 West Broadway, San Diego, San Diego County  
Notified: 2/14/03

Nevada Security Bank (Facility – Insured Bank)  
2893 Sunrise Gold Circle, Suite 209, Rancho Cordova  
Notified: 2/18/03

## **Credit Union Activity**

### **Merger**

Providence First Credit Union, Burbank, into Priority One Credit Union, South Pasadena  
Approved: 2/21/03

Sharp Federal Credit Union, San Diego, into Cabrillo Credit Union, San Diego  
Effected: 2/21/03

### **Change of Name**

EBTEL Credit Union, to STERLENT CREDIT UNION  
Filed: 1/28/03  
Approved: 1/31/03  
Effected: 2/20/03

Triple S Credit Union to change its name to CALIFORNIA COMMUNITY CREDIT UNION  
Filed: 9/30/02  
Approved: 10/9/02  
Effected: 11/19/02

### **Field of Membership**

Fourteen credit unions received approvals to add 58 new fields of membership during January 2003.

### **Bylaw Amendments**

Eight credit unions received approvals for 11 bylaw amendments during January 2003.

### **Variances**

One credit union received an approval for a request for variance to sections of the California Code of Regulations during January 2003.

## Transmitter of Money Abroad Activity

### New Transmitter

Bancomericio de El Salvador, Inc.  
Filed: 2/27/03

### Change of Name

Thomas Cook Inc., to Travelex Inc.  
Effected: 8/27/02

## Issuer of Travelers Check Activity

### Change of Name

Thomas Cook Inc., to Travelex Inc.  
Effected: 8/27/02

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**CAROL D. CHESBROUGH**  
Chief Deputy Commissioner

Bulletin for Month ended  
February 2003, issued pursuant  
to Financial Code, Section 258



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